



Daily Report

China

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Daily Report

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CONTENTS

11 March 1992

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

INTERNATIONAL AFFAIRS

General

Daily on West Posing as 'Human Rights Guardians'	1
Part I [FAZHI RIBAO 21 Feb]	1
Part II [FAZHI RIBAO 24 Feb]	2
EC, Russia Call Ceasefire in Nagorno-Karabakh [XINHUA]	3
North Atlantic Cooperation Council Opens [XINHUA]	3
Correction to UN Decision on Tibet	3

United States & Canada

Deputy Foreign Minister Meets With Scowcroft [XINHUA]	4
Trade Minister Views Sino-U.S. Trade Issues [GUOJI SHANGBAO 22 Feb]	4
Commentary Scorns U.S. Human Rights Situation [XINHUA]	5
Vice Premier Meets Ford Foundation Delegation [XINHUA]	6

Northeast Asia

Public Permitted To Seek Compensation From Japan [Tokyo KYODO]	6
Nantong Leases Land to Japanese Enterprise [XINHUA]	7
Wu Bangguo Meets NODONG SINMUN Group [Shanghai Radio]	7
DPRK, ROK Discuss Joint Nuclear Control [RENMIN RIBAO 5 Mar]	7

Southeast Asia & Pacific

VNA Reports Jiang Zemin-Le Phuoc Tho Meeting	7
Government Resumes Freight Transportation to SRV [XINHUA]	8
Visiting Lao Front Delegation Departs 8 Mar [XINHUA]	8
Delegation Leader Interviewed [Beijing International]	8

West Europe

Foreign Minister Qian Continues European Tour	9
Discusses Ties With UK's Major [RENMIN RIBAO 10 Mar]	9
Reviews Hong Kong Stance With Hurd [RENMIN RIBAO 10 Mar]	10
Meets Former Prime Ministers [XINHUA]	10
Says 'Optimistic' About Relations [XINHUA]	10
Arrives in Germany 10 Mar [XINHUA]	11
Meets Kohl, Endorses Ties [XINHUA]	11
EC Dairy Project Makes 'Remarkable Progress' [XINHUA]	12

Latin America & Caribbean

Cuba's Castro Meets CPPCC Member He Xin [RENMIN RIBAO 1 Mar]	12
'News Analysis' Views Peace Efforts in Colombia [XINHUA]	12
Paper Assesses Developments in Haitian Politics [RENMIN RIBAO 28 Feb]	13
Dollar Reserves Seen 'Up' in Latin America [XINHUA]	14

NATIONAL AFFAIRS

Political & Social

Sources Report 'Intensified' Factional Strife [Hong Kong SOUTH CHINA MORNING POST 11 Mar]	15
Deng, Other Leaders Inspect Shanghai's Pudong [XINHUA]	15
Domestic, International Validity of Deng Line [Hong Kong TA KUNG PAO 11 Mar]	16
CPPCC Standing Committee Meets 11 Mar [XINHUA]	16
CPPCC National Committee To Meet 18 Mar [XINHUA]	17
CPPCC 1991 Proposals' Impact, Focus Viewed [XINHUA]	17
NPC Plenary Session Preparations Complete [XINHUA]	18
Editorial Urges Economic Center Policy Adherence [GUANCMING RIBAO 26 Feb]	18
Post-Tiananmen 'Predicament' of Press Viewed [Hong Kong MING PAO 9 Mar]	19
Li Peng, Jiang Zemin Confer Honorary Title [XINHUA]	20

Military

Commentator Stresses Army Party Branch Operation [JIEFANGJUN BAO 14 Feb]	21
Army Paper on 1992 Training Guidelines, Tasks [JIEFANGJUN BAO 12 Feb]	22
Chi Haotian Instructs on Army Vehicle Checks [XINHUA]	23
Military Leaders at All-Army Afforestation Rally [XINHUA]	23
PLA Cited on Chemical Weapons Cuts Verification [ZHONGGUO XINWEN SHE]	24
Tianjin's Tan Shaowen at Double-Support Meeting [Tianjin Radio]	24
Shanghai Soldiers Carry Forward Lei Feng Spirit [Shanghai Radio]	25

Economic & Agricultural

'Roundup' on Efforts To Join Copyright Convention [XINHUA]	26
Ministry Steps Up Foreign Trade Systems Reform [XINHUA]	26
'Roundup' Views Yangtze Investment Opportunities [XINHUA]	27
Major Banks To Inject More Funds Into Pudong [XINHUA]	27
Daily Cites Jiangsu Governor on Reform, Opening [XINHUA]	28
Daily on Hainan Large-Scale Development Conditions [RENMIN RIBAO 1 Mar]	28
Tian Jiyun on Anhui Commodity Circulation [ANHUI RIBAO 29 Feb]	29
Tian Jiyun Inspects Three Gorges 2-9 Mar [XINHUA]	33
Zhu Rongji Presides at 'Debt Chains' Meeting [XINHUA]	34
State Planning Commission Improves Work Style [XINHUA]	36
CHINA DAILY Evaluates Contract System [10 Mar]	37
'Roundup' Sees 'New Trends' in Rural Industry [XINHUA]	38

REGIONAL AFFAIRS

East Region

Wu Guanzheng Urges Efforts in Family Planning [Nanchang Radio]	39
Huang Ju Holds News Forum on Pudong Development [Shanghai Radio]	39
Silent on Writer's Travel Ban [Hong Kong SOUTH CHINA MORNING POST 11 Mar]	39
Shanghai Commentary Views Spiritual Civilization [Shanghai Radio]	40

Central-South Region

Commentator's Article on Expansion of Opening Up [NANFANG RIBAO 8 Mar]	41
Calls for 'Sense of Urgency' [NANFANG RIBAO 5 Mar]	42
Guangdong Turns From Anti-West to Anticrime [Hong Kong THE STANDARD 11 Mar]	43
Xiong Qingquan on Developing Chemical Industry [Changsha Radio]	44

Southwest Region

Tibet Chairman Remarks Mark Year of Water Monkey [RENMIN RIBAO 29 Feb]	44
Private Economy Develops 'Rapidly' in Tibet [XINHUA]	44

North Region

Beijing's Large Enterprises Enjoy 'Stable Growth' [XINHUA]	45
Beijing To Tighten Foreign Vehicle Registration [CHINA DAILY 11 Mar]	45
Inner Mongolia Builds Up Northern Open Zone [RENMING RIBAO 28 Feb]	45
Tianjin People's Congress Session Opens 9 Mar [Tianjin Radio]	46
Nie Bichu on Opening Up [XINHUA]	47
Tianjin Speeds Up Construction of Key Projects [XINHUA]	47

Northeast Region

State Council Office Approves Harbin Report [XINHUA]	47
Quan Shuren at Meeting To Discuss Candidate List [Shenyang Radio]	48
Yue Qifeng on Improved Transportation Facilities [XINHUA]	48

Northwest Region

Lanzhou Radio Urges 'Bolder' Reform Efforts	49
Shaanxi Province Electronics Industry Improves [XINHUA]	49
Commentator 'Article' Urges Shaanxi Science Forum [Xian Radio]	49
Construction Set for Lanzhou-Urumqi Double Track [XINHUA]	50
Urumqi Promotes Rural Science, Technology [XINHUA]	50

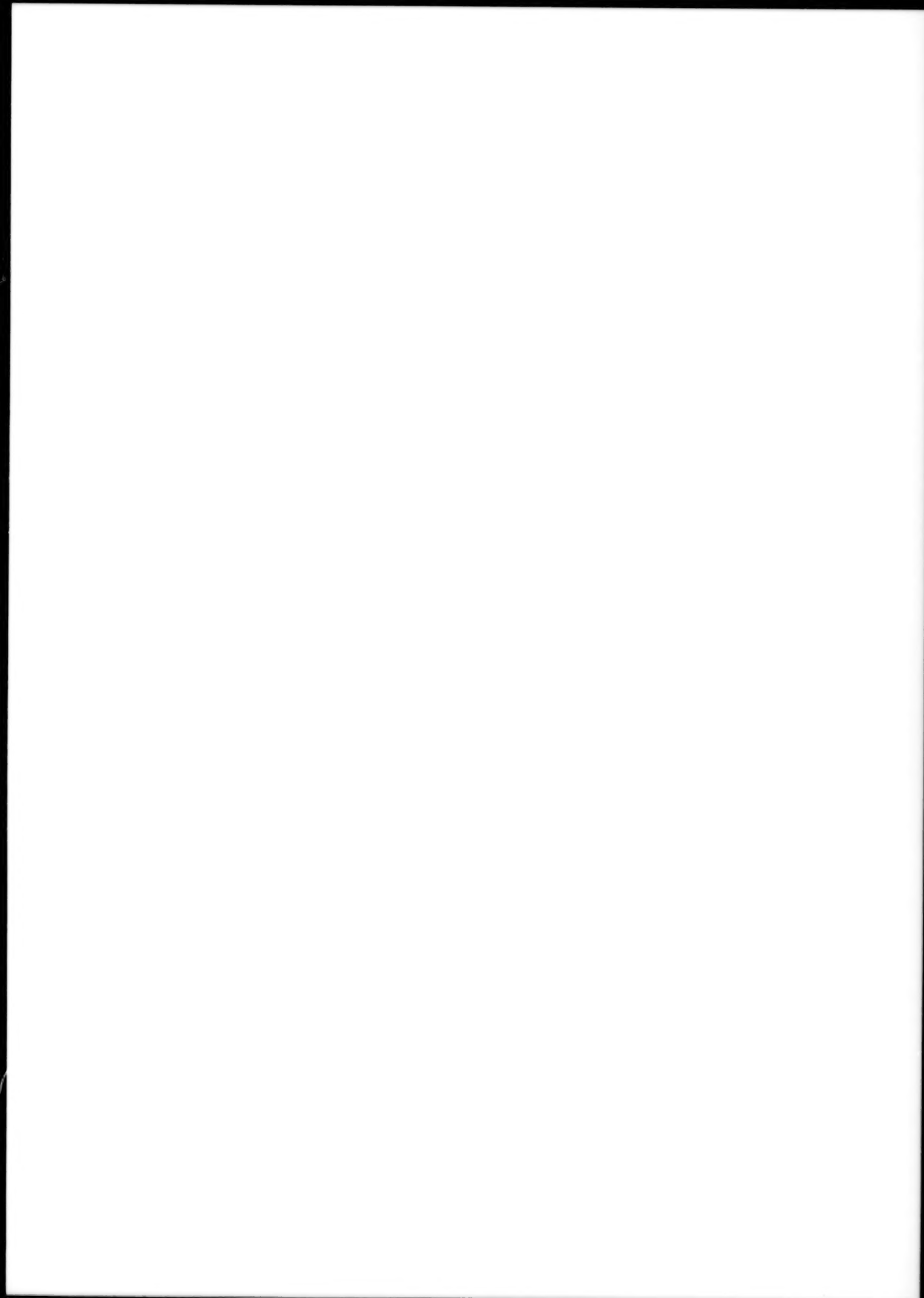
TAIWAN

DPP Mission Departs for United States 10 Mar [CNA]	52
President Li Receives Dominican Foreign Minister [CNA]	52
Government To Send Medical Aid to Ukraine 31 Mar [CNA]	52
Premier Urges Stance of Sovereignty Over Mainland [CNA]	52
Says Conditional Friendship Possible [CNA]	52
Taipei Rejects Mainland Joint Venture Offer [CNA]	53

HONG KONG & MACAO

Hong Kong

Hong Kong Affairs Advisers Arrive in Beijing	54
To Visit for Two Days [ZHONGGUO XINWEN SHE]	54
To Meet Senior PRC Leaders [SOUTH CHINA MORNING POST 11 Mar]	54
2d Group 'Might' Include Liberals [THE STANDARD 11 Mar]	55
Greenpeace Criticizes U.S. Waste 'Dumping' [SOUTH CHINA MORNING POST 9 Mar]	56



General

Daily on West Posing as 'Human Rights Guardians'

Part I

HK1103100192 Beijing FAZHI RIBAO in Chinese
21 Feb 92 p 4

[Article by Li Zerui (2621 3419 6904): "What Are Western 'Human Rights Guardians' Up To? (First Part)"]

[Text] Since the UN Charter stipulates that "respect for the human rights and basic freedom of all of mankind" should be "stepped up," "promoted," and "stimulated," people in certain Western powers have always prepared public opinion for the "international protection of human rights." In recent years, they have intensified their efforts with an attempt to even call the "international protection of human rights" an "international law." Posing as "human rights guardians," they have frequently blamed Third World countries of "violating human rights," and China is among those being blamed. Why do they bring this fabricated charge against China? And why do they only accuse Third World countries? These questions warrant careful study and consideration.

I. Individual and Collective Human Rights Are Two Issues Respectively Under Domestic and International Jurisdictions

The so-called "natural rights theory," which claims that "man is born free and equal," was a slogan raised on the eve of the French Bourgeois Revolution. To overthrow feudal rule and win free and equal individual human rights, the bourgeois class, which was then very weak, used this slogan to arouse the French people of all social strata to join its struggles against the class of feudal lords. From the 18th century to the 1930's, all "democratic" countries which had overthrown feudal rule and established bourgeois power wrote this slogan into their law. Since then, respecting human rights has been stipulated in these countries' domestic laws as one of the citizens' political rights. However, in capitalist countries, all people have to live in families of different classes with different financial backgrounds right from their birth and man is thus born unequal. Therefore, only a minority of the bourgeois class can really enjoy free and equal human rights; while the vast numbers of petty bourgeois, proletarians, and laboring people are unable to really enjoy free and equal rights. It thus can be seen that "natural rights," whereby "man is born free and equal," is merely a slogan which aims to mislead the broad masses of the people. To them, the "democracy" advocated by the capitalist dictatorship virtually means a false democracy. Prior to World War II, though they were hypocritical and deceitful, the individual human rights in Western countries absolutely came within their domestic jurisdiction, and no foreign countries were ever allowed to interfere. After World War II, in view of the historical facts that even the collective human rights of

the people in major West European colonialist countries were violated, the UN Charter pointed out from the very beginning: "With a view to preventing our coming generations from suffering the miserable war disasters experienced by human beings of this generation, it is necessary to reiterate the belief of basic human rights, human dignity, and value, as well as equal rights between men and women and between all large and small countries." In this stipulation regarding human rights, the UN Charter not only specifies that "men and women" can freely and equally enjoy their individual rights, such as basic human rights, human dignity, and value; but also particularly emphasizes that "all large and small countries" can also freely and equally enjoy their collective rights. Moreover, the UN Charter also drew a distinguishing line in principle between issues under domestic and international jurisdictions, stipulating that "this Charter cannot be considered to authorize the United Nations to interfere into issues which come within the domestic jurisdiction of any country, and that member states are not required to submit the issues to the United Nations for settlement according to this Charter; yet this principle should not present an obstacle to the implementation of executing methods in Chapter Seven" (seventh item under second clause). This stipulation applies to all issues mentioned by the Charter. When it comes down to human rights, this stipulation means that because human rights cases were virtually under the domestic jurisdiction of all countries during the 100-200 years before World War II, this Charter cannot be considered to authorize the United Nations (not to mention authorizing any individual country or individual) to interfere in any human rights cases which come within the domestic jurisdiction of any country; however, those human rights cases under Chapter Seven, which constitute "threat and sabotage to peace, and deeds of aggression," do not come within the domestic jurisdiction and, therefore, the United Nations and its member states have the right to make international interference to protect the collective human rights of the countries under aggression. It thus can be seen that the seventh item of the second clause apparently distinguishes domestic human rights from international human rights. Domestic human rights are virtually individual political, economic, social, and cultural rights of the citizens of a country which are stipulated in the country's domestic law; if the human rights of any citizen are violated, that country's government should exercise its judicial power to punish those who infringe upon the human rights of others. On the other hand, international human rights are collective human rights which can be enjoyed by the people of a country in the international community. The UN Charter stipulations conform to the aim of opposing the aggression wars of the Nazi fascist militarists. Prior to World War II, there was no international legislation on international human rights; neither were there any international organs which could interfere in or had jurisdiction over international cases of human rights violation. As a result, the people of Asian, African, and American countries; and then the people of France, Belgium, and the Netherlands in

Europe, as well as the Jewish people, were recklessly invaded, enslaved, slaughtered, and oppressed; while their collective human rights including the rights to survive, make their own decisions, attain development as well as the dignity and equality of the nation and people were wantonly violated and trampled on by colonialists and the Nazi fascist militarists. It was exactly in view of these facts that the United Nations worked out the aforementioned stipulations, which not only acknowledge the individual human rights enjoyed by the people of all countries under domestic law, but also stipulates that the collective international human rights of all countries cannot be violated.

Part II

HK1103100692 Beijing FAZHI RIBAO
in Chinese 24 Feb 92 p 4

[Article by Li Zerui (2621 3419 6904): "What Are Western 'Human Rights Guardians' Up To? (Second and Last Part)"]

[Text, II. What are the "Human Rights Guardians" Up To?

We Chinese people enjoy human rights which are fully guaranteed by Chinese laws. A policy of reform and opening up has been in force in China in the last decade, with the people around the country exercising their rights to development and energetically and peacefully carrying out the country's four modernizations construction. But certain people from the Western countries have rewritten the "UN Charter's" human rights regulations and vigorously whipped up the view that "the individual has become the principal subject of international law" and that "an individual's human rights is subject to international protection." As self-anointed "human rights guardians," they have repeatedly accused the Chinese Government of violating the Chinese people's human rights. What a ridiculous accusation! But it has not jeopardized in any way the Chinese Government's reputation among the people. Nevertheless, we should examine the reason behind their repeated accusations.

The Western scholar and diplomat George Kennan once revealed: "The American people's zeal in upholding liberty is highly selective. They have shown unrivalled concern toward the countless nameless Chinese ruled by the CPC, the Indians of Kenya and Uganda, the thousands of blacks in Angola...." (From "Human Rights and World Politics" by David (Fluss) [fu xi si 1715 6007 2448], 1983 English edition, p 23). Why do these Americans choose to demonstrate their unrivalled concern for the liberty of certain Chinese and certain Third World people? Do they really care about the people of the Third World? No. They made this choice out of their "own ulterior motives." Western international law expert and scholar (Weiss) [wei xie 4850 2957] has stated: "Basic human rights constitutes the foundation for the restoration of traditional international law" (See 1947 volume of *International Law Society Yearbook*, p 155). Another

Western international law expert and scholar, (Kuntz) [kong zi 1313 5417], also stated: "Traditional international law is a body of law founded on Western values. It is also the world law used by Europe to dominate Asia and Africa" ("Changing International Law" by (Kuntz) as published in *U.S. International Law Journal*, Volume 51, 1957, p 78). Having read these fascinating theses, we begin to see the light: France, Belgium, Holland, and the other colonial powers of Asia and Africa were destroyed in the Second World War while the British empire was reduced to the three islands of the United Kingdom. Meanwhile, Germany, Italy, and Japan were defeated by the coalition of China, United States, and the Soviet Union. Naturally, the European countries' colonial rule in Asia and Africa, as well as their colonial "world law," were overthrown. The colonies of Asia and Africa became independent and sovereign states after the war. It was under these circumstances that certain people from Western countries began to spread the view of "human rights as a subject of international protection" so that they could use this to accuse governments of Third World countries of "violating human rights." International law scholars in the West have long asserted that this kind of "international protection of human rights" was used by the Western countries to set up their colonial rule in the 16th century. (Fedros) [fei de luo si 5481 1795 5012 2448], another international law authority from the West, said: "Victoria's works on international law include this fundamental principle: According to international law, intervention is permissible in case a people's basic human rights are denied by their own country, such as the freedom of religious worship" (*International Law* by A. (Fedros), 1981 Chinese edition, p 664). The 16th century Victoria himself said: "If the converted Christian natives in America (when Columbus discovered America in 1492, the land was inhabited by Indians) were threatened by their leaders to reconvert to paganism, this would give the Spaniards the right to declare war on their leaders and use force to stop these savages' outrageous conduct. They would also be justified to wage war against these stubborn people and depose these natives' rulers" ("The Indians" by Francisco Victoria from *Scott's Collection of Classical Works on International Law*, English edition, p 158). This is the wonderful application of the international law principle of "international protection of human rights" by the Western countries on the countries of Asia, Africa, and America. Using the pretext of "having to defend the human rights of some converted Christian Indians in America," the 16th century Spaniards overthrew their rulers, established Spanish colonial rule over the Indians, and gradually eliminated the Indians. A Western philosopher has remarked: The events taking place today are often a repeat of forgotten historical events from the past. We Chinese people enjoy individual human rights, which are fully protected by law, but some people in the West have repeatedly accused China of violating human rights. They have exerted pressure through the media and imposed "economic sanctions and have come short of applying the "right to wage war!" What exactly are they up to when

they interfere blatantly on the Chinese people who are engaged in peaceful economic construction? To be quite honest, these Western "human rights guardians" are resorting to the old method of "international protection of human rights" in their attempt to protect the handful of Chinese who have "converted" to the West's "democratic system" of two bourgeois political parties alternating in power as well as the criminals who have violated laws because of their slandering and subversion of China's people democratic government. By offering them protection, they hoped that these people could "freely" subvert the Chinese people's democratic regime and restore the West's colonial-dominated international law discipline, which was overthrown 40 years ago. No wonder the U.S. scholar (Floss) remarked smugly: "Promoting human rights will also promote the self-interest of the United States" (David Floss), Ibid, p 97). Logically speaking, when the "human rights guardians" come forth to "uphold the Chinese people's human rights," this "generous act" of "concern for the Chinese people" should "promote the Chinese people's interest." How is it that the "protection of the Chinese people's human rights" will "promote the self-interests of the United States" instead? Is this not odd? Actually, the Western scholars have already inadvertently let the cat out of the bag and there is nothing odd about it!

At present, the Third World countries are confronted by the grim challenge of maintaining their independence and survival and of promoting development. If certain Western countries and their "human rights guardians" are truly concerned about their human rights, then they should respect these countries' international human rights, such as their rights to independence, survival, and development. They should vigorously help them develop their economies, sincerely work with them to establish a new international economic order, and share the modern material civilization with them. If these Western countries and their "human rights guardians" continue to be haunted by the ghost of colonialism and want to pursue Victoria's style of aggression under the pretext of "international protection of human rights," then the "international protection of human rights" they tout is just a pack of outrageous lies.

EC, Russia Call Ceasefire in Nagorno-Karabakh

OW1103090392 Beijing XINHUA in English
0839 GMT 11 Mar 92

[Text] Brussels, March 10 (XINHUA)—Foreign ministers of the European Community (EC) and the Russian Federation today appealed to the conflicting parties in Nagorno-Karabakh to bury their hatchets so as to avoid more casualties and losses.

In a joint statement the two sides expressed deep concern over the escalating armed clashes in the area, and called for an immediate ceasefire between the fighting parties.

EC and Russia agreed that if the conflict went beyond control it was likely to trigger off a bloodier war, which would threaten regional and international security.

Visiting Russian Foreign Minister Andrey Kozyrev and his EC counterparts today also discussed matters concerning bilateral relations and economic cooperation.

Kozyrev arrived here on Monday to attend an EC-sponsored high-level working meeting on Wednesday to discuss the establishment of an international center of science and technology in Moscow.

Representatives from the United States, Japan and other members of the Commonwealth of Independent States will also attend the meeting.

North Atlantic Cooperation Council Opens

OW1003141192 Beijing XINHUA in English
1354 GMT 10 Mar 92

[Text] Brussels, March 10 (XINHUA)—An extraordinary meeting of the North Atlantic Cooperation Council (NACC) opened at NATO headquarters here Tuesday.

Present at the meeting were foreign ministers from sixteen NATO member-countries and former Warsaw Pact member-countries that included five East European countries, the members of the Commonwealth of Independent States (CIS) and three Baltic states.

The meeting sought to encourage CIS members to join the NACC, said NATO Secretary General Manfred Woerner in his opening statement.

"Let me extend a particularly warm welcome to our partners from the Commonwealth of Independent States, who honor us by their presence," he said.

The founding of NACC was first suggested at the NATO Rome summit last year in a bid to build security in Europe after the disbanding of its rival, the Warsaw Treaty Organization (WTO). NACC's first foreign ministerial meeting was held last December.

According to NATO sources, the ministers will also discuss the ratification and implementation of the treaty of Conventional Forces in Europe (CFE), signed in 1990, and try to put the treaty into effect as soon as possible.

The ministers will approve a working plan that includes military, scientific and political programs for closer cooperation.

Correction to UN Decision on Tibet

CM1103144492

The following correction pertains to the item headlined, "XINHUA Feature Views UN Decision on Tibet," published in the 6 March China DAILY REPORT, page 1:

Column one, first paragraph, third sentence, make read: ...votes and with 10 abstentions, one absence, a proposal from... (rewording).

Column two, second paragraph, first sentence, make read: "... not be justified. Representatives of some developing countries also stood up..." (deleting country names, rewording).

United States & Canada

Deputy Foreign Minister Meets With Scowcroft

OW1103050492 Beijing XINHUA in English
0451 GMT 11 Mar 92

[Text] Washington, March 10 (XINHUA)—President Bush's national security adviser, Brent Scowcroft, said today that now was a turning point for further improvement in Sino-United States relations.

He was speaking at a meeting with Chinese Deputy Foreign Minister Liu Huaqiu at the White House this afternoon.

Liu arrived in Washington for a visit to the United States at the invitation of the United States under secretary of state for political affairs, Arnold Kanter.

As some of the difficulties in the United States-China relations had been solved, Scowcroft said, relations between the two countries would progress, as long as both sides made joint and sincere efforts.

The deputy assistant to the President for national security affairs, Admiral Jonathan Howe, who also met Liu, said the United States-China Shanghai Joint Communiqué had been issued for 20 years and he had taken part in its drafting.

Howe said both sides should seize the opportunity the turning point offered of directing United States-China relations toward implementation of the agreements reached by the foreign ministers of the two countries last November.

Liu said the principles of the Shanghai Communiqué still had practical significance for Sino-U.S. relations.

Although tremendous and profound changes had taken place in the world, he said, the common interests of the United States and China not only continued to exist, but also were more important than the ideological differences between them.

Liu said China always attached importance to the relationship, which had improved to some extent in the past year.

Increasing mutual trust, reducing disagreement and maintaining normal and good relations were in the fundamental interests of the two peoples and also benefited peace, stability and development in the world, not only in the Asia-Pacific region.

Liu also held talks with Kanter on bilateral relations and international issues of common concern. Both sides believed that the talks were positive and beneficial.

Trade Minister Views Sino-U.S. Trade Issues

HK1103002092 Beijing GUOJI SHANGBAO
in Chinese 22 Feb 92 p 1

[Report: "Li Lanqing Says No Conditions Should Be Attached to Most-Favored-Nation Status"]

[Text] An understanding was recently reached between China and the United States concerning the protection of intellectual property rights, but questions remain on most-favored-nation [MFN] status, market access in China and the United States, and the trade imbalance on the U.S. side. Li Lanqing, Minister of Foreign Economic Relations and Trade, was visited by this reporter recently and asked to give his views on the present state and prospects of Sino-U.S. trade and economic relations. Li Lanqing noted that the understanding reached between the two countries on the protection of intellectual property rights was the result of mutual understanding and mutual compromise by the two sides in line with the fundamental interests of their respective countries. It is a good thing for both of them and will promote the further growth of economic and trade relations between the two countries. The success of the Sino-U.S. negotiations on intellectual property rights shows that trade disputes between the two can be settled entirely through consultations on an equal basis, and that resorting to other unwise methods will not only fail to resolve issues, but also complicate them and produce adverse consequences to the two countries.

Li Lanqing said: When China and the United States established diplomatic relations in 1979, bilateral trade only amounted to \$2.4 billion. By 1991, bilateral trade volume had risen nearly five times to \$14.2 billion. The United States is now China's third biggest trading partner. After the establishment of diplomatic relations, a series of agreements and accords on trade relations, industrial and technological cooperation, fishery, marine transport, prevention of double taxation, and so on signed by the two countries laid down a favorable foundation and created excellent conditions for the development of economic and trade relations between the two countries. As of late September 1991, U.S. investments in China totaled 1,723 projects, while agreed upon capital amounted to \$4.58 billion. Except for the Hong Kong region, the United States leads all other investors in China. Some big U.S. companies and several medium-sized and small enterprises have already taken up sizable trade and investment markets in China. The growth of trade and economic relations between the two countries to this present level is the hard-earned product of joint efforts between the governments and the industrial and business circles of the two countries. Continuing preservation and promotion of trade and economic relations between China and the United States is consistent with the interests of the two countries.

Li Lanqing pointed out: As the United States is the biggest developed country and China is the biggest developing country, the two economies can complement

each other strongly and meet each other's trade needs. China imports large amounts of wheat, cotton, chemical fertilizers, lumber, paper, pulp, aircraft, and technical equipment from the United States each year, while U.S. imports of textile items, garments, edible oil, native products and animal by-products, chemical products, and electronics have multiplied gradually. China is presently devoting itself to its new five-year plan and 10-year development program. It needs to open up further and promote foreign economic and trade ventures. China's total import volume in the Eighth Five-Year Plan period is expected to exceed \$300 billion. No doubt the potential for economic and trade cooperation between China and the United States is immense.

Speaking on the current situation, Li Lanqing stressed that the question at present is the need for the two sides to create an excellent environment and climate for economic and trade cooperation and appropriately resolve some problems in their economic and trade relations.

Li Lanqing said: The granting of MFN treatment to each other by China and the United States is the focus of problems in their bilateral trade and economic relations at the moment. If the United States should terminate China's MFN status, it would mean a unilateral breach of the agreement on Sino-U.S. trade relations by the United States. Its consequences would not only lead to a serious setback in trade and economic relations between the two countries, but also a severe setback in their political ties, causing a comprehensive reversal in Sino-U.S. relations.

Li Lanqing pointed out: We appreciate the positive attitude adopted by President Bush on the question of MFN treatment for China as well as the positive efforts made by U.S. industrial and business circles and by friends from all circles who are concerned about Sino-U.S. economic and trade relations. At the moment, the U.S. House of Representatives has passed a joint resolution on the conditional extension of MFN treatment to China. Attaching any conditions to the MFN treatment issue is unacceptable. We hope that members of the U.S. Congress will take into consideration the overall interests of Sino-U.S. relations and adopt a positive attitude in order to prevent a retrogression in relations between the two countries.

Li Lanqing said: MFN treatment is a reciprocal issue and not a gift from one country to another. The annual review of MFN treatment for China creates a sense of instability and of insecurity for the entrepreneurs from the two countries psychologically. We believe that the governments of China and the United States have the responsibility to create an excellent environment for trade, cooperation, and investment. Therefore, we hope that the U.S. side will take steps to change the practice of an annual review by the Congress so that the issue can be resolved fundamentally.

Li Lanqing said: Since April last year, delegations from China and the United States have carried out four rounds of talks on the question of market access, with the Chinese side making some positive promises to the U.S. side on certain questions concerning market access. At present, the two sides still have certain differences on specific issues. The Chinese side maintains that it has already made many efforts which have paved the way for further talks between China and the United States on the question of market access. This year, another round of consultations will be conducted by the two sides on the market access issue. We hope that this round of talks will also lead to an understanding on the basis of mutual compromise, equality, and mutual benefit. Regarding the question of U.S. trade deficits, Li Lanqing maintained that a fairly big difference has always existed in the trade statistics and figures of the Chinese and U.S. sides. This is largely related to the question of transit via Hong Kong and other places. The two sides have different views on this matter. Export commodities which go through Hong Kong as transit goods mostly involve the processing of imported materials, with China receiving only a very small processing fee, while most of the original materials are imported from abroad. The Chinese side has also suggested to the United States that a team of experts be formed by the Chinese mainland, Hong Kong, and the United States; the team would be charged with examining and studying the inconsistencies in Sino-U.S. trade statistics and figures and finding a practical solution which is acceptable to the two sides.

Li Lanqing indicated that China has always put a high premium on developing trade with the United States and has endeavored to achieve a basically balanced growth in imports and exports. Since the two countries established diplomatic relations in 1979, China's imports from the United States have grown in most years. Imports from the United States have dropped in the last few years because of economic sanctions imposed on China by the United States and because of economic rectification and improvement in our country. The Chinese side has paid great attention to this matter and has adopted positive measures, including sending two large-scale buying missions to the United States. In fact, China's imports from the United States have begun to soar, with imports from the United States up by 21.5 percent last year. This year, barring man-made obstacles appearing in Sino-U.S. trade and economic relations, China's imports from the United States are expected to increase further. In line with China's needs and capabilities, it may still consider sending various buying missions and delegations to the United States.

Commentary Scorns U.S. Human Rights Situation

*OW1103043892 Beijing XINHUA in English
0425 GMT 11 Mar 92*

[Text] Beijing, March 11 (XINHUA)—China's official newspaper the PEOPLE'S DAILY today published a signed commentary describing America's human rights situation as "deplorable."

each other strongly and meet each other's trade needs. China imports large amounts of wheat, cotton, chemical fertilizers, lumber, paper, pulp, aircraft, and technical equipment from the United States each year, while U.S. imports of textile items, garments, edible oil, native products and animal by-products, chemical products, and electronics have multiplied gradually. China is presently devoting itself to its new five-year plan and 10-year development program. It needs to open up further and promote foreign economic and trade ventures. China's total import volume in the Eighth Five-Year Plan period is expected to exceed \$300 billion. No doubt the potential for economic and trade cooperation between China and the United States is immense.

Speaking on the current situation, Li Lanqing stressed that the question at present is the need for the two sides to create an excellent environment and climate for economic and trade cooperation and appropriately resolve some problems in their economic and trade relations.

Li Lanqing said: The granting of MFN treatment to each other by China and the United States is the focus of problems in their bilateral trade and economic relations at the moment. If the United States should terminate China's MFN status, it would mean a unilateral breach of the agreement on Sino-U.S. trade relations by the United States. Its consequences would not only lead to a serious setback in trade and economic relations between the two countries, but also a severe setback in their political ties, causing a comprehensive reversal in Sino-U.S. relations.

Li Lanqing pointed out: We appreciate the positive attitude adopted by President Bush on the question of MFN treatment for China as well as the positive efforts made by U.S. industrial and business circles and by friends from all circles who are concerned about Sino-U.S. economic and trade relations. At the moment, the U.S. House of Representatives has passed a joint resolution on the conditional extension of MFN treatment to China. Attaching any conditions to the MFN treatment issue is unacceptable. We hope that members of the U.S. Congress will take into consideration the overall interests of Sino-U.S. relations and adopt a positive attitude in order to prevent a retrogression in relations between the two countries.

Li Lanqing said: MFN treatment is a reciprocal issue and not a gift from one country to another. The annual review of MFN treatment for China creates a sense of instability and of insecurity for the entrepreneurs from the two countries psychologically. We believe that the governments of China and the United States have the responsibility to create an excellent environment for trade, cooperation, and investment. Therefore, we hope that the U.S. side will take steps to change the practice of an annual review by the Congress so that the issue can be resolved fundamentally.

Li Lanqing said: Since April last year, delegations from China and the United States have carried out four rounds of talks on the question of market access, with the Chinese side making some positive promises to the U.S. side on certain questions concerning market access. At present, the two sides still have certain differences on specific issues. The Chinese side maintains that it has already made many efforts which have paved the way for further talks between China and the United States on the question of market access. This year, another round of consultations will be conducted by the two sides on the market access issue. We hope that this round of talks will also lead to an understanding on the basis of mutual compromise, equality, and mutual benefit. Regarding the question of U.S. trade deficits, Li Lanqing maintained that a fairly big difference has always existed in the trade statistics and figures of the Chinese and U.S. sides. This is largely related to the question of transit via Hong Kong and other places. The two sides have different views on this matter. Export commodities which go through Hong Kong as transit goods mostly involve the processing of imported materials, with China receiving only a very small processing fee, while most of the original materials are imported from abroad. The Chinese side has also suggested to the United States that a team of experts be formed by the Chinese mainland, Hong Kong, and the United States; the team would be charged with examining and studying the inconsistencies in Sino-U.S. trade statistics and figures and finding a practical solution which is acceptable to the two sides.

Li Lanqing indicated that China has always put a high premium on developing trade with the United States and has endeavored to achieve a basically balanced growth in imports and exports. Since the two countries established diplomatic relations in 1979, China's imports from the United States have grown in most years. Imports from the United States have dropped in the last few years because of economic sanctions imposed on China by the United States and because of economic rectification and improvement in our country. The Chinese side has paid great attention to this matter and has adopted positive measures, including sending two large-scale buying missions to the United States. In fact, China's imports from the United States have begun to soar, with imports from the United States up by 21.5 percent last year. This year, barring man-made obstacles appearing in Sino-U.S. trade and economic relations, China's imports from the United States are expected to increase further. In line with China's needs and capabilities, it may still consider sending various buying missions and delegations to the United States.

Commentary Scorns U.S. Human Rights Situation

*OW1103043892 Beijing XINHUA in English
0425 GMT 11 Mar 92*

[Text] Beijing, March 11 (XINHUA)—China's official newspaper the PEOPLE'S DAILY today published a signed commentary describing America's human rights situation as "deplorable."

"Because of this, human rights guards in the U.S. evaded questions concerning their own country while launching a fresh offensive on China on the issue," the commentary said.

"I will not use China's human rights criteria to judge U.S. affairs," but "will consider the human rights issue in the U.S. with the principles provided by the Declaration of Independence," the author Yu Quanyu said.

The Declaration of Independence stipulated that man's inalienable rights included life, liberty and the pursuit of happiness.

But there were problems regarding these now, the article said.

On the right of life, "the German press agency DPA quoted U.S. police departments as saying that in 1991, the number of people being murdered reached a record high, with the murder rate at 9.6 per 100,000 and a total number of 24,020," it said.

"This number is one and a half times higher than the total number of murder victims in Britain, France, Germany, Japan, and Canada," it added.

"How horrible that is," the writer said.

He cited Washington, the nation's capital as the worst human rights offender on this score.

Quoting city police, he said that in Washington D.C., which has a population of 600,000, 498 people were gunned down in 1991.

That meant a murder rate of 83 per 100,000.

"The world media call the U.S. capital 'the city of murder,'" the article said.

And as for the right of liberty, the U.S. BOSTON GLOBE newspaper reported on February 11 that 455 people out of every 100,000 Americans were imprisoned in 1990, he said.

This number maintained America's position as world champion and was one third higher than that in South Africa, its closest challenger, the article said.

"Black people in the U.S. are more pitiful, with 3,370 in 100,000 male blacks in jail—the record is four times higher than that of South Africa."

"The rate of jailed people in the U.S.—a total number of 1.1 million—is three and a half times more than that in China. This fact suggests that there are a great number of people in the United States who can not enjoy the right of liberty," it said.

The article said "the world economy grew by 0.8 percent in 1991. China's gross national product (GNP) climbed 7 percent and industrial production was up 14.2 percent. But GNP in the U.S. dropped by 0.7 percent, industrial

production fell 1.9 percent, the unemployment rate hit 7.1 percent, and state debt reached 3600 billion U.S. dollars."

"These facts manifest that the U.S. Government and Congress failed to defend their people's right to pursue happiness. On the contrary, they laid a debt burden of 14,400 dollars on every American on top of income tax and personal debt," it said.

And "the French news agency AFP quoted a committee of the U.S. House of Representatives as saying there were 20 million Americans living on food coupons and 23 million on charity," the commentary added.

Vice Premier Meets Ford Foundation Delegation

OW1103090292 Beijing XINHUA in English
0831 GMT 11 Mar 92

[Text] Beijing, March 11 (XINHUA)—Chinese Vice-Premier Wu Xueqian met with Susan Berresford, vice-president of the Ford Foundation of the United States, and her party in the Great Hall of the People here today.

They had a friendly conversation on promoting the relations between relevant Chinese departments and the Ford Foundation.

Northeast Asia

Public Permitted To Seek Compensation From Japan

OW1103075392 Tokyo KYODO in English
0731 GMT 11 Mar 92

[Text] Beijing, March 11 KYODO—Chinese civilian victims of the 1937-1945 Sino-Japanese war can directly demand war compensation from Japan, a Chinese Foreign Ministry spokesman said Wednesday.

The spokesman made the remark in response to a KYODO NEWS SERVICE question about mounting public calls for Japan to pay compensation for the suffering it inflicted on the Chinese people during the war.

The spokesman said issues concerning compensation have already been solved with Japan with the signing of the China-Japan joint declaration in 1972.

But he said the government should not interfere with some Chinese war victims making their own demands on Japan, hinting Beijing will give tacit consent to such moves.

The Japanese Government has said the matter of war compensation was completely settled with the signing of the 1972 declaration, in which Japan and China restored diplomatic ties.

Western diplomatic sources in Beijing said the spokesman's remarks appear to be in line with South Korea's moves to demand compensation for Korean women

forced to provide sex to Japanese soldiers at frontline brothels during World War II

According to Chinese sources, a law to demand 180 billion dollars from Japan as compensation for civilian suffering during the civilians is expected to be submitted to the upcoming National People's Congress due to begin March 20 in Beijing

Nantong Leases Land to Japanese Enterprise

OW 103090892 Beijing XINHUA in English
0729 GMT 11 Mar 92

[Text] Beijing, March 11 (XINHUA)—Nantong, a port city near the mouth of the Yangtze River in east China is quickening its opening-up drive by selling the use rights to a patch of commercial land

Today's overseas edition of the PEOPLE'S DAILY [RENMEN RIBAO] reported that the 80,000 sq m of land near the scenery spot of Langshan will be rented to a Japanese firm for 300 million Japanese yen (about 20 million yuan)

The paper said the leasing term will be up to 70 years. The Japanese company will build over the next two years residential houses installed with modern facilities

Wu Bangguo Meets NODONG SINMUN Group

OW 103010692 Shanghai People's Radio News
in Mandarin 2100 GMT 9 Mar 92

[From the "Morning News" program]

[Text] Wu Bangguo, secretary of the Shanghai municipal CPC committee, met with a six-member delegation of the Korean NODONG SINMUN newspaper, which is headed by Chief Editor Hyon Chung-kuk, and hosted a dinner in their honor at the New Jiangnan Hotel last night. Wu Bangguo briefed the guests on achievements made in Shanghai since its reform and opening to the outside world

Wu Bangguo said Shanghai's development is better than expected. Its development in the coming will be faster than in the past

During their stay in Shanghai, the delegation toured the site of the First CPC Congress. It will visit the East China Export Trade Fair today

IPRB, ROK Discuss Joint Nuclear Control

IR 000000700 Beijing RENMIN RIBAO in Korean
7 Mar 92 p 1

[By Zhou Baohong (周保宏) (ZB), North-South Sides of Korea Reach Partial Agreement on Formation of Joint Nuclear Control Committee]

[Text] Pyongyang, 7 Mar (RENMEN RIBAO)—Representatives from the North and South of Korea concluded the third round of contacts on the issue of

forming a joint nuclear control committee, started adjusting the agreement's wording, and reached partial agreement at the Reunification Pavilion, north of Panmunjom today

According to reports, the contacts were conducted in secret. After the contacts, representative of the North side, Choe U-chin, held a news conference to brief on the state of negotiations between the two sides

The representative from the North side said that, in today's contacts, the North was ready to consider the South's opinions regarding the number of joint nuclear control committee members, made concessions, gave up their original idea of including two high-ranking officers on active service on the committee, and agreed to the South's requirement to include one or two servicemen on active service. The two sides basically reached an agreement on a clause of the joint nuclear control committee's operation. The representative from the South, however, opposed explicitly writing into the agreement such basic issues as foreign nuclear weapons and bases, joint efforts in dealing with external nuclear threats, and international pledges for a nuclear-free Korean Peninsula. The formation of a North-South joint nuclear control committee is stipulated in the "Joint Declaration on a Nuclear-free Korean Peninsula" effective 19 February. The two sides agreed to continuing their contacts on 8 March

Southeast Asia & Pacific

VNA Reports Jiang Zemin-Le Phuc Tho Meeting

IR 000133262 Hanoi VNA in English 1441 GMT
10 Mar 92

[Text] Hanoi VNA March 10—Secretary general of the Communist Party of China Central Committee Jiang Zemin received in Beijing on March 9 Le Phuc Tho, Politburo member and Secretary of the Communist Party of Vietnam Central Committee, and head of a Vietnamese party delegation on a current visit to China

Host and guest exchanged views on the relations between the two countries and parties and on international issues of common concern. Jiang Zemin noted that after normalization, the relations between the two countries and parties have favorably developed. He expressed his belief that these ties would contribute to enhancing mutual understanding, friendship, and cooperation between the two sides, and that the promotion of exchanges between China and Vietnam not only conforms to the two peoples' fundamental interests, but also create favorable conditions for peace, stability, and development in the Asia-Pacific region

Le Phuc Tho conveyed best regards from Party Secretary General Do Muoi and Chairman of the Council of Ministers Vo Van Kiet to the Chinese leader and informed him of the situation of economic renovation and party organization in Vietnam

Le Phuoc Tho expressed his pleasure to visit China to inquire into, and exchange views on the party work.

General Secretary [words indistinct] was present at the reception on the Chinese side were Lu Feng, head of the Organization Department of the CPC Central Committee, Zhu Liang, head of the International Liaison Department of the CPC Central Committee, and on the Vietnamese side was Tran Huu Nhia, charge d'affaires a.i. in China.

Government Resumes Freight Transportation to SRV

OW0903152892 Beijing XINHUA in English
1442 GMT 9 Mar 92

[Text] Beihai, March 9 (XINHUA)—The 400 DWT "Haixiang 401" cargo ship of the Guangxi Beihai Sea Shipping Company set sail here this afternoon for Vietnam's Hai Phong City, 157 nautical miles away.

This is the first Chinese cargo ship to Vietnam since the two countries suspended their shipping services to each other about 20 years ago.

The "Haixiang 401" carried China-made auto tires to Vietnam. And 28 other ships of the Beihai Sea Shipping Company with a total of 16,600 dead weight tonnage have also been approved to participate in the transportation of bulk cargo, containers, sundry goods and oil-bearing materials to Vietnam [sentence as received]. These ships, setting sail at Guangxi's Beihai and Fangcheng ports, can directly berth at all coastal harbors of Vietnam.

Beihai and Fangcheng are both two coastal cities of the Guangxi Zhuang Autonomous Region, which have convenient communications conditions. Beihai now boasts a developed highways network which links the city with Guangdong Province and most parts of Guangxi. The Qinzhou-Beihai railway, which is connected with the Nanning-Fangcheng railway, is expected to be completed by 1994.

At present, Beihai has opened several national navigation lines and it is also engaged in sea shipping businesses between Guangxi and Hong Kong and Macao.

Visiting Lao Front Delegation Departs 8 Mar

OW0803142492 Beijing XINHUA in English
1412 GMT 8 Mar 92

[Text] Kunming, March 8 (XINHUA)—Maisouk Saisompheng, chairman of the Lao Front for National Reconstruction, and his party left here for home by air today at the end of their friendly visit to China.

The Lao guests arrived in China on March 1 at the invitation of the National Committee of the Chinese People's Political Consultative Conference.

During their stay in Kunming, Saisompheng and his party met with leading members from the Yunnan Provincial Committee of the Chinese People's Political

Conference and exchanged views on issues of common interests. They also made sight-seeing tours of scenic spots.

Delegation Leader Interviewed

BK1003132592 Beijing Radio Beijing in Lao
1230 GMT 8 Mar 92

[Interview with Maisouk Saisompheng, chairman of the Lao Front for National Construction, LFNC, and head of the LFNC delegation currently visiting the PRC by unidentified station correspondent in Beijing; date not given—recorded]

[Text] [Correspondent] Mr. Delegation Head: Last year, the CPPCC [Chinese People's Political Consultative Conference] delegation led by Hong Xuezhi, vice chairman of CPPCC, paid a visit to Laos. This year, in the capacity of the LFNC Central Committee chairman, you are paying a visit to the PRC at the invitation of the CPPCC. Would you kindly tell me about the situation of future exchanges and cooperation between the LFNC and the CPPCC?

[Maisouk] The LFNC [Lao Front for National Construction] delegation is paying a visit to the PRC at the invitation of the CPPCC. The two sides held talks at the CPPCC office in Beijing from 0900 to 1130 on 5 March 1992. The CPPCC delegation was headed by Comrade Hong Xuezhi, vice chairman of the CPPCC. The meeting to exchange views on the situations of our fronts was filled with the spirit of long-standing traditional solidarity and friendship existing between Laos and China. Since 1990, the delegations of the LFNC Central Committee and the CPPCC have developed better relations and exchanged lessons with each other once a year. Such exchange visits have contributed to strengthening the relations between the two parties, states, and peoples of Laos and China. Our two countries have shared certain common characteristics—that is, they are composed of many ethnic groups.

At this meeting, the two sides exchanged lessons and informed each other of the situations on the all-around economic, cultural and social development in 1991, which has stemmed from the implementation of our reform and open-door policies aimed at attracting foreign capital and technology from foreign countries. These are the correct policies of the two parties. At the meeting, the two delegations have reached unanimity on further developing and strengthening mutual relations, exchanging more visits and lessons, and more closely consolidating the ties between the CPPCC and the LFNC Central Committee.

[Correspondent] Mr. Delegation Head, over the past few days you have visited Nanning and Beijing, met with some Chinese leaders, and held talks with the CPPCC delegation. Would you kindly tell me about your perceptions and feelings about this visit?

[Maisouk] Before our delegation arrived in Beijing, we stopped off in Guangxi on 2 March to pay a visit to (?Beihai), which is the sea gate of the Guangxi region. We visited a modern television set production factory which is a joint venture with foreign investors. We visited a (?seaside) resort where foreign tourists have come to spend their vacations. Our delegation was warmly welcomed by the secretary of the party committee, the vice chairman of the administrative committee of the district, and the vice chairman of the local CPPCC who informed us of the special characteristics and history of (?Beihai). On our way back to Guangxi, we toured some state enterprises which are operated jointly with foreign partners. We met with the chairman and vice chairman of the CPPCC of the Guangxi region. The two sides informed each other of the situations of our respective organizations. The meeting proceeded under an atmosphere of solidarity, friendship, intimacy, and good understanding. During our stay in Beijing, we visited [words indistinct], the production of a vegetable-growing and livestock-raising cooperative, a kindergarten, and a convalescent home for senior citizens. From our friendship visit and our tours of many agricultural and industrial production establishments, we can see that production in China is now rapidly developing in accordance with the reform and open-door policy aimed at attracting foreign investment and modern technology into China. At the same time, we clearly witnessed the (?efficiency of) the party leadership, the state management, and the exercising of democratic freedom by the Chinese people and cadres. We can see that the political situation in China is peaceful.

[Correspondent] I would like to ask you, sir, what tasks the LFNC has undertaken in leading the people to build the country and in promoting ties with foreign countries with a view to strengthening friendly relations with people in the world?

[Maisouk] The LFNC has fulfilled its roles, obligations, and duties by mobilizing and uniting the multiethnic Lao people of all strata and religious beliefs. We have educated them to become patriotic and to maintain a sense of vigilance to oppose all designs of the enemies to effect a change through nonviolent means in our country. We have encouraged our multiethnic people to maintain national concord and unification so as to become a strong force and prop for our party and state in implementing and realizing our policies, socioeconomic development plans, and laws. The LFNC has also endeavored to carry out its tasks of strengthening our relations of friendships with the CPPCC, the Vietnam Fatherland Front, and the (?front organizations) of the DPRK, Cambodia, and other countries.

West Europe

Foreign Minister Qian Continues European Tour

Discusses Ties With UK's Major

HK1103142092 Beijing RENMIN RIBAO in Chinese
10 Mar 92 p 92

[Dispatch by reporter Chen Tean (7115 3676 1344): "Prime Minister Major Meets Foreign Minister Qian Qichen"]

[Text] London, 9 Mar (RENMIN RIBAO)—British Prime Minister Major said this morning when meeting Qian Qichen, Chinese state councillor and foreign minister, that he himself would continue to show concern for and ensure improvement in Sino-British relations.

Major said during the meeting that it is important for Britain and China to maintain a dialogue, which will help the two countries continue to improve and develop relations.

Major said: During his visit to China in September last year, he met General Secretary Jiang Zemin, President Yang Shangkun and Premier Li Peng, all the meetings were pleasant and made deep impressions on him. He said that the dialogue should be continued, they should not stand on ceremony, and they should be frank and friendly.

Major said: Over the last one or two years, British-Chinese relations have seen valuable development. Britain and China, as permanent members of the Security Council, have conducted important cooperation. What is most important for Britain is that China is at the center of a region which is vital to British interests. We have every reason to strengthen cooperation.

He said: It is precisely for this reason that Britain has played a leading role in the European Community and G-7, making these countries work more actively on their relations with China.

Major also said: Britain is concerned about the U.S. position on China's most favored nation status, because this issue is important both to China and Hong Kong. He pointed out that British-Chinese economic and trade relations have very good prospects and hoped that bilateral trade will continue to increase.

Lastly, he stated that he would take a personal interest in ensuring improvement in British-Chinese relations.

Foreign Minister Qian Qichen expressed satisfaction over the much better progress made in Sino-British relations over the last year and praised Major's successful China trip and for his efforts in improving Sino-British relations.

Foreign Minister Qian Qichen stated that both China and Britain are permanent members of the Security Council and the two countries should strengthen their consultation.

He also pointed out that developing friendly cooperative relations between China and Britain accords with the two countries' interests. Britain is a developed Western country having solid scientific and technological power. China is the largest developing country, with vast land and rich resources and bent on economic construction. The two countries can strongly complement each other.

Both sides also exchanged views on a number of international issues of common interest.

Before the meeting, a document-presenting ceremony was held for China's participation in the "Nuclear Arms Nonproliferation Treaty." Foreign Minister Qian Qichen presented the participation document to Prime Minister Major.

Reviews Hong Kong Stance With Hurd

HK1103113992 Beijing RENMIN RIBAO in Chinese
10 Mar 92 p 6

["Dispatch" by reporter Chen Tean (7115 3676 1344): "Chinese, British Foreign Ministers Hold Talks"]

[Text] London, 9 Mar.—Qian Qichen, visiting Chinese state councillor and foreign minister, met with Douglas Hurd, the British foreign secretary, this morning. The two foreign ministers maintained that Sino-British relations are generally good and that prospects for developing friendly cooperation and ties between the two countries are very broad.

At the meeting, Foreign Minister Qian said China attaches great importance to promoting friendly relations with Britain. Since Prime Minister John Major's visit to China last year and his meeting with Premier Li Peng at the United Nations, Sino-British relations have undergone new developments. China appreciates Britain's efforts in helping the EC resume and improve ties with China and in urging the United States to extend most favored nation status to China. As Britain assumes the EC presidency in the second half of this year, it is hoped that Britain will continue to play a role in doing so.

Foreign Minister Qian also expressed his hope for increased exchange visits and the establishment of a system of routine meetings between economic and commercial officials of the two countries. He said China will send a purchasing mission to Britain this year. He also expressed his hope for another meeting with Foreign Secretary Hurd and welcomed the imminent visits to China by the British trade and industry and energy secretaries.

For his part, Foreign Secretary Douglas Hurd expressed his appreciation of Foreign Minister Qian's remarks and agreed on the need for more visits between the two

countries' people. He added that the prospects were very broad for the development of friendly cooperation in all areas between Britain and China.

The two foreign ministers also discussed the Hong Kong issue. Hurd said: The signing of the memorandum of understanding on the construction of a new airport in Hong Kong in September last year "had a very positive impact in Hong Kong. Facts have shown that this memorandum is a great contribution."

He said: The current economic situation and atmosphere in Hong Kong is excellent. The preservation of such an excellent atmosphere is very important to both Britain and China.

Foreign Secretary Qian replied: The signing of the memorandum on the construction of a new airport by China and Britain is beneficial to Hong Kong's prosperity and stability and has boosted confidence in Hong Kong.

During their talks, the two foreign ministers shared the view that it was necessary to maintain close contacts between China and Britain and to speed up the work of the Sino-British joint liaison group. The two sides also agreed to strictly comply with the Sino-British joint declaration on the Hong Kong issue, step up consultations and cooperation, and discuss, as well as resolve, Hong Kong-related issues with a constructive approach. The two sides should work together to make the necessary arrangements to ensure a stable transition and smooth transfer of power in Hong Kong.

Meets Former Prime Ministers

OW1103011892 Beijing XINHUA Domestic Service
in Chinese 0428 GMT 10 Mar 92

[Text] London, 9 March (XINHUA)—Qian Qichen, Chinese state councillor and concurrently minister of foreign affairs, today met with former British Prime Ministers Edward Heath and Margaret Thatcher. He held friendly talks with them and expressed the hope that the relations of friendship and cooperation between China and the United Kingdom would develop continuously.

Minister Qian also met with Adley, chairman of the British-Chinese parliamentary group, and Wint, chairman of the British-Chinese 48 trade group.

Says 'Optimistic' About Relations

OW1003192092 Beijing XINHUA Domestic Service
in Chinese 1521 GMT 10 Mar 92

[By reporters Shi Lujia (2457 7627 0163) and Wang Shengliang (7769 3932 5328)]

[Text] London, 10 March (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen said here today that he is optimistic about the development of Sino-British relations.

In an interview with BBC and the GUARDIAN before he wound up his visit to Britain, Qian Qichen answered reporters' questions on Sino-British relations, Hong Kong and China's domestic situation.

Qian Qichen said: Britain was the first West European country to establish diplomatic relations with China. With Hong Kong as a link between China and Britain, there should be greater room for the two countries to develop bilateral ties.

On whether China will interfere with Hong Kong's affairs, Qian Qichen said: According to the Sino-British agreement, Hong Kong's administrative affairs will remain under the British Hong Kong administration, and China will not interfere before Hong Kong is returned to China in 1997. It is natural, however, for China and Britain to consult on major issues concerning the future of Hong Kong after the transfer of power in 1997, so as not to hinder Hong Kong's smooth transition.

On the question of Hong Kong's political structural reform, Qian Qichen pointed out: Hong Kong has existed under an administrative system, not a legislative system. China believes that, during the transitional period, there should not be any major changes. This is because any major changes will create instability in Hong Kong and will hinder its smooth transfer.

On how China will carry out a political reform, Qian Qichen said: In both economic and political reform, China will learn some good things from western nations, but we will not mechanically copy western practices.

He emphasized: China's situation is very different from that of the former Soviet Union. The former Soviet Union practiced hegemonism, pursued an expansionist policy, established military groups, and conducted an arms race—China did not. The former Soviet Union had only one political party, while China has been practicing a system of multi-party cooperation under the leadership of the Communist Party. The two countries also have different economic policies, and China's economic situation is better than that of the former Soviet Union. China endured great pressure due to these major differences. China survived in opposing many of the former Soviet Union's foreign and domestic policies—China's existence did not depend on the Soviet Union. For this reason, the changes and disintegration of the former Soviet Union will not repeat themselves in China.

Qian Qichen pointed out: During the past 13 years under the policy of reform and opening to the outside world, China has made great achievements in all fields. The reform was not universally accepted at the beginning, but it has passed the test, has proven successful, and has been gradually popularized and accepted by the people. The same is true with special economic zones. The experience of success gained by special economic zones helps promote reform in other places. In short, China will further speed up its reforms in the days to come.

Arrives in Germany 10 Mar

OW1003144092 Beijing XINHUA in English
1423 GMT 10 Mar 92

[Text] Bonn, March 10 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen arrived at Dusseldorf Airport this afternoon to begin a three-day visit to Germany at the invitation of the German Federal Minister of Foreign Affairs Hans-Dietrich Genscher.

In his speech to the press upon arrival at the airport, Qian said the Chinese people and the German people have a long history of friendly exchange.

Cooperation between the two countries since the establishment of Sino-German diplomatic relations in 1972 has developed extensively in various areas and conforms to the interests of both peoples, he said.

Qian stressed that in the rapidly changing and turbulent world of today, China is willing to increase contact and expand cooperation with unified Germany and jointly work with Germany in protecting world peace and promoting mutual development.

During the visit, he is expected to meet German Chancellor Helmut Kohl, Foreign Minister Genscher, and other senior officials to exchange views on bilateral relations and international issues.

Qian said he believed that his visit would bear positive fruit.

Qian arrived today after a two-day official visit to Great Britain.

Meets Kohl, Endorses Ties

OW1003234792 Beijing XINHUA in English
2328 GMT 10 Mar 92

[Text] Bonn, March 10 (XINHUA)—German Chancellor Helmut Kohl and visiting Chinese Foreign Minister Qian Qichen agreed here today that the development of relations between Germany and China is conducive not only to the people of the two countries but also to world peace and stability.

During his meeting with Qian, also Chinese state councillor, Kohl stressed the importance of upgrading cooperation with China, saying there is no questions left over by history and no conflict of interests between the two countries.

China has achieved great success in economic development, the German chancellor said, adding that it is wise for China to do so and he expected that China continue to advance in this direction.

Qian said China and Germany are two important countries and China values the development of long-term and stable friendly relations with Germany.

Qian briefed Kohl on China's efforts to step up reform and further opening to the outside world. He expressed

his hope that the two countries extend economic and trade cooperation on the basis of mutual benefit.

He noted that China is willing to import advanced technology and experience of management from Germany, and expected that Germany's products and investment acquire more shares in Chinese markets.

Both sides also exchanged views on international issues of common concern.

EC Dairy Project Makes 'Remarkable Progress'

OW0503141692 Beijing XINHUA in English
1246 GMT 5 Mar 92

[Text] Beijing, March 5 (XINHUA)—The Sino-European Community (EC) dairy development project in twenty Chinese cities, the largest such venture in China so far, has achieved remarkable progress over the past three years.

The agreement on the project was signed in March, 1988, which designated that, over a five year period from 1988 to 1992, EC would supply 45,000 ton of skimmed milk powder and 16,700 ton of butter oil, together with the revenues of technological assistance, at an estimated European market price of ECU 79.5 million, to 20 Chinese cities.

The 20 project cities include Beijing, Shanghai, Tianjin and Guangzhou, most of which are municipalities under direct control of the State Council, or provincial capitals.

By the end of 1991, these project cities had already received 34,200 tonnes of skimmed milk powder and 13,115 tonnes of butter oil, representing over 75 per cent of the total assistance.

Chinese Vice-Minister of Agriculture Ma Zhongchen, said today by the end of last year a total of 750 million yuan had been invested to develop dairy animals, improve the collection and distribution of milk and service facilities, and expand and improve facilities for manufacturing dairy products and fodder.

"Over the past three years, the project cities have made drastic progress for their output, supply, infrastructure and management of milk," said the vice minister.

Since the project was undertaken, a total of 96 EC experts have come to China to help with dairy animal breeding, manufacturing of dairy products, and the improvement of machinery. Training courses have been held for more than 10,000 local people and 51 persons were sent to study abroad.

EC and Chinese experts have also cooperated in studying the long- and medium-term strategy, guidelines and measures for developing China's dairy industry.

At present, annual EC assistance to China amounts to 40 million U.S. dollars. EC ambassador to China Pierre Duchateau said that the figure will be even greater if more projects are developed.

China's dairy industry is still weak with per capita consumption of milk at 4.4 kilograms per year.

Latin America & Caribbean

Cuba's Castro Meets CPPCC Member He Xin

HK1003051492 Beijing RENMIN RIBAO in Chinese
1 Mar 92 p 6

[XINHUA report by Ni Runhao (0242 3387 3185): "Cuban Council of State President Castro Meets Chinese Professor He Xin"]

[Text] Havana, 28 Feb (XINHUA)—Today, Fidel Castro, president of the Council of State of Cuba, met with Professor He Xin, a member of the National Committee of the Chinese People's Political Consultative Conference and said: The friendship between the Chinese and Cuban peoples goes back a long time. The Chinese people always care about and support the Cuban people's cause, the Cuban people thank the Chinese people for their help. Sino-Cuban friendship will last forever.

At the meeting, President Castro asked Professor He Xin about reform in China's countryside. Castro said that the national conditions in China and Cuba are different, but the two countries can still learn from each other and take each other's experience as a reference. He also said that Cuba is now facing economic difficulties. Under the leadership of the Communist Party of Cuba, the Cuban people are going all out to develop food production, tourism, biological technology, and the pharmaceutical industry and are using science and technology to develop the economy and overcome difficulties.

Professor He Xin arrived in Havana and began his two-week visit to Cuba at the invitation of the Cuban Asia-Pacific Research Center.

'News Analysis' Views Peace Efforts in Colombia

OW1103060692 Beijing XINHUA in English
0513 GMT 11 Mar 92

["News Analysis" by Wang Caiyu: "New Effort To Restore Peace in Colombia"]

[Text] Santa Fe de Bogota, March 10 (XINHUA)—The Colombian Government and the guerrillas began a new round of talks today in the Mexican city of Trinidad in an attempt to restore peace in the country.

The resumed talks opened at the request of the government, which wants to restore peace after reaching agreement with the four guerrilla organizations on their re-entry into civilian life.

The guerrilla groups are the M-19 Movement, the Workers' Revolutionary Party, the People's Liberation Army and the "Quintin Lame" pro-indigenous movement.

Since these groups laid down their arms, the government of President Cesar Gaviria Trujillo has tried to open dialogue with the Simon Bolivar Guerrillas Coordinating Front, which includes the Colombian Revolutionary Armed Forces, the National Liberation Army and a splinter group of the People's Liberation Army.

The first exploratory meeting between the government and the guerrillas took place in the eastern Colombian city of Cravo Norte in May 1991, at which both sides agreed on the location and date of later talks.

Official peace talks began in Caracas, capital of Venezuela, on June 3, 1991.

But since then the talks have been suspended twice, first as a result of the guerrillas' attempt on the life of the president of the Senate, Aurelio Iragorri, and again at the end of last year when the two parties agreed to suspend talks until February 1, 1992.

The unsuccessful coup d'etat of February 4 in Venezuela made it difficult to resume the talks in early February.

The most significant result obtained so far has been the signing of an agreement that includes a preliminary agenda for the whole peace process, ranging from the search for a cease-fire formula to the re-incorporation of the guerrillas into civilian life.

The importance of this accord does not lie in the fact that it charted a path toward peace but that for the first time in the past five years of contact between the two sides, the Colombian Revolutionary Armed Forces have accepted concrete mechanisms that could lead to demobilization.

Another significant point is that the National Liberation Army, which had hitherto refused to take part in the peace process, has agreed to sit down and talk.

Local observers say most Colombians hope the talks between the government and the guerrillas will succeed.

Paper Assesses Developments in Haitian Politics

HK1003081292 Beijing RENMIN RIBAO
in Chinese 28 Feb 92 p 6

["News Analysis" by Zhu Manting (2612 3341 1656):
"Tension Relaxed in Haiti"]

[Text] Caracas, 27 Feb (RENMIN RIBAO)—On 23 February, an agreement was reached at the Washington headquarters of the Organization of American States [OAS] between exiled Haitian President Jean-Bertrand Aristide and the presidents of the Senate and Chamber of Deputies on issues concerning the establishment of a provisional government acceptable to both sides. This event shows that tension has apparently relaxed regarding efforts to seek a political solution to the crisis since Haiti's coup d'etat at the end of September last year.

On 30 September last year, the Haitian military staged a coup and toppled a President who had been chosen by election, Jean-Bertrand Aristide, who then went into exile in a foreign country. The coup, however, was strongly condemned by the OAS member states, which neither recognized the military-backed provisional government in Haiti nor agreed that Haiti would hold a new election under military control. Meanwhile, the OAS tried political mediation, insisting that Jean-Bertrand Aristide should return to power, or else the economic sanctions that had been imposed against Haiti would not be lifted. In the wake of the coup, the military did not appear to organize the provisional government directly; instead, it controlled the situation through the parliament. Military chief Raoul Cedras indicated that a final decision would be made by men of letters while the military played a consultative role. Parliamentary leaders proposed once to negotiations with President Aristide on condition that the international embargo against Haiti was lifted. However, their proposal was rejected by the OAS. The deadlock did not end until the end of last November when leaders of the Haitian Parliament finally agreed to hold talks with President Aristide. Aristide also changed his mind. Instead of demanding an unconditional return, Aristide agreed to appoint a new prime minister. At a later time, he also agreed to personally select a prime minister from candidates provided by the parliament. In early January of this year, the two sides reached an initial consensus to appoint Rene Theodore as Haiti's new prime minister.

The recent agreement reached in Washington between President Aristide and the parliamentary leaders have mainly focused on the following: President Aristide would respect the resolutions adopted by parliament and would agree to let the prime minister head the government before his return to the country. On parliament's part, it would agree to allow the prime minister, who was selected by the president, to organize and set up a government of national unity and create conditions for the return of the president; to give amnesties to all prisoners except criminal offenders; abolish all erroneous decisions which would probably give rise to violence and riots; and adopt a resolution on the president's proposal to allow the OAS to send a delegation to Haiti to help expedite the process of democratization. The agreement also demanded that the OAS lift the economic embargo and other sanctions after Haiti had appointed a prime minister and set up a national unity government. The following day, President Aristide also reached agreement with Prime Minister Theodore, who was nominated by the former, on the implementation of necessary measures during the transition period.

These measures included restricting the Army from interfering in the work of the government and that the prime minister should make regular reports to the president on his domestic policies.

The U.S. Government has shown its support for this agreement; it also has demanded that the Haitian military accept the agreement. Sources in Port-au-Prince confirmed that the military had already consented to this agreement.

Public opinion, however, still believes that the biggest unknown factor in the Haitian situation is the Army. The agreement fails to work out explicit stipulations on this issue. Overseas media say that Aristide's agreement to respect the resolutions adopted by parliament and to give an amnesty mean that he has given up a demand that the coup leader Cedras should be removed from his post, for parliament adopted a resolution not long ago to formally appoint Cedras as commander of the armed forces with a higher military rank. Two days after signing the agreement, however, President Aristide indicated that, because Cedras was a major leader of the coup, there was no seat available for him in a future provisional government and he could not be pardoned. It seems that it will be a difficult task for Prime Minister Theodore to handle relations between the Army and himself. Probably for this reason, there is as yet no fixed schedule for Aristide's return to power in Haiti.

Dollar Reserves Seen 'Up' in Latin America

*OW1103060592 Beijing XINHUA in English
0501 GMT 11 Mar 92*

["Economic Analysis" by Gao Yonghua: "Dollar Reserves Up in Latin America"]

[Text] Santa Fe de Bogota, March 10 (XINHUA)—Latin American countries have registered rapidly rising dollar reserves—a phenomenon which has aroused the attention of many international economists.

Mexico has increased its international reserves by 7 billion U.S. dollars, Venezuela 3.8 billion, Argentina 2.5 billion, Colombia 2.3 billion, Peru one billion and Chile 800 million.

In the early 1980s, Latin American countries often resorted to massive devaluations to solve their exchange problems.

But the reverse was true last year with many having to reevaluate their currencies to curb inflation.

Local analysts attributed the change to external factors such as recession in the United States and low dollar interest rates.

These had driven funds out of the United States and other countries toward Latin America.

An International Monetary Fund study has predicted that this phenomenon will disappear once America's recession lifts and interest rates rise on international capital markets.

Still, local analysts reckon the Latin American policy of privatizing state enterprises and opening up of their economies to world markets were the main reasons for the return of investments.

At present, many state enterprises in Latin America are being sold to private, even foreign, investors.

This has led to a stock market boom in Latin American countries.

The Argentine stock market increased its dollar stock almost three times in 1991, and the same was true in Chile, Mexico, Venezuela and Colombia.

The Organization for Economic Cooperation and Development (OECD) said the flow of investments into Latin America from private sources rose to 24 billion dollars during 1990.

This compared with only 15 billion dollars in 1989.

The flow of investments for 1991 was expected to reach 40 billion dollars.

For the first time since 1981, there was a net positive flow of resources to the region last year.

Private investors were clearly more interested than ever in investing in Latin American countries due to the region's economic policies.

Political & Social

Sources Report 'Intensified' Factional Strife

HK1103013792 Hong Kong SOUTH CHINA
MORNING POST in English 11 Mar 92 p 13

[By Willy Wo-lap Lam and Geoffrey Crothall]

[Text] Factional strife in Beijing has intensified as a member of the Politburo Standing Committee, Mr Song Ping, has hinted that patriarch Mr Deng Xiaoping's new reform initiative has contributed to "instability".

Other conservative leaders have stopped the dissemination of a document that exonerates former party chief Mr Zhao Ziyang of most of his "crimes".

And a few ideologues pilloried by Mr Deng, including Acting Culture Minister Mr He Jingzhi, have refused to step down.

Sources said yesterday that Mr Song, who is in charge of organisation and personnel, had complained that Mr Deng's recent insistence that only cadres with proven track records in reform should be promoted might contribute to "national instability".

Since late 1991, Mr Song has contended that in assessing the performance of officials, "Marxist morality comes before ability".

The sources added that Mr Song and other Organisation Department leaders were worried that Mr Deng's new criteria would upset the process of selecting deputies to the 14th Party Congress slated for late 1992.

"Deputies from coastal areas including Guangdong province have already been picked by the Organisation Department," a source said.

"The department fears that Deng might force them to go through the exercise again in accordance with his new requirements."

Diplomats in Beijing said Mr Song's protest amounted to a bold challenge to the authority of Mr Deng.

Meanwhile, Chinese sources said yesterday that an official party document clearing Mr Zhao of supporting the 1989 pro-democracy movement and of splitting the party was withdrawn from circulation soon after it was released.

The document, which only accused Mr Zhao of the lesser charge of making an "erroneous assessment" of the 1989 movement, was seen as a prelude to his partial rehabilitation.

The move came amid reports that Mr Deng was prepared to reinstate Mr Zhao.

And hard-line ideologues attacked by Mr Deng have refused to quit.

For example, Mr He has told his colleagues he has no intention of resigning.

"I realise a lot of people are against me, particularly Malqinhu (deputy head of the Writers' Association party committee), but I plan to continue serving as minister," sources yesterday quoted Mr He as saying.

Mr He, 68, assured his colleagues he was simply recovering from a minor illness at a sanatorium just outside Beijing.

Deng, Other Leaders Inspect Shanghai's Pudong

OW1003163092 Beijing XINHUA in English
1613 GMT 10 Mar 92

["Senior Chinese Leaders Concerned About Pudong Development"—XINHUA headline]

[Text] Shanghai, March 10 (XINHUA)—Senior Chinese leaders Deng Xiaoping, Yang Shangkun, Jiang Zemin, Wan Li, joined members of the Political Bureau members and vice premiers, on a recent inspection tour of Shanghai's New Pudong Development Zone.

Deng Xiaoping, who led the inspection during this year's Spring Festival, expressed satisfaction with the work being carried out in the Pudong. Deng urged the people of Shanghai to further emancipate their minds, while acting boldly to ensure rapid development.

Deng said that Shanghai is blessed with noticeable advantages in regards to numbers of talented people, and the availability of technology and administration. These fact alone are ample reasons to increase the speed of development, said Deng.

President Yang Shangkun expressed hope that Shanghai will resume its status as an international financial and commercial center in a very short period. He said the city should strive to extend development and construction to new heights by the end of this century.

General Secretary Jiang Zemin reiterated the intense concern of the party Central Committee and the State Council for the development of Pudong. He said that successful development of the area will promote nationwide development.

Speaking at a press conference today, Shanghai Mayor Huang Ju said that the inspection tour and the instructions issued by senior state leaders have greatly encouraged the people of Shanghai. He promised that the municipal government will spare no effort to speed the development of Pudong, as well as development of the entire city.

Domestic, International Validity of Deng Line

HK1103070992 Hong Kong TA KUNG PAO in Chinese
11 Mar 92 p 3

["Political Talk" column by Shih Chun-yu (2457 0689 3768): "The Influence of the Deng Xiaoping Line is Increasing Every Day"]

[Text]

China Exchanges Experiences With Vietnam

During his meeting with a visiting Vietnamese delegation led by Le Phuoc Tho, chairman of the Communist Party of Vietnam [CPV] Organization Commission, on the evening of 9 March, CPC General Secretary Jiang Zemin said: Despite the changes in the international situation, China will unswervingly implement Deng Xiaoping's basic line of "one center, two basic points," adhere to reform and opening up, focus our attention on doing economic work well, and continue to advance along the road of building socialism with Chinese characteristics."

Jiang Zemin's remarks to senior Vietnamese officials contain the meaning of the two countries exchange of experiences in economic construction. The achievements China has scored in its 12 years of reform and opening up are valuable experience and can be drawn on today by Vietnam, East Europe, and the republics of the former Soviet Union as well as the countries of the Third World. In recent years, a number of scholars, periodicals, and academic organizations have focused on, studied, and appraised highly China's opening up and the practice of starting with agriculture and then steadily promoting economic development. This international reaction indicates that Deng Xiaoping's line has won popular support as it lays stress on practical results and democratic development.

During their recent visits to other countries, Third World countries in particular, Chinese leaders have introduced the experience gained in economic construction and stressed that the national policy of reform and opening up will remain unchanged. Numerous facts in the course of China's development over the past 12 years have proved that Deng Xiaoping, chief designer of China's reform and open policy, has illuminated a practical and feasible road for the 1.1 billion Chinese people and has also set a typical and useful pattern for many Third World countries. The truth is simple: As China itself is the largest Third World nation, experience in its construction naturally has a universal nature.

Third World Can Draw on China's Experience

A number of Third World countries, which followed the example of the Soviet Union and pursued leftist dogma, failed to engage in economic construction after winning independence from colonialism and failed to let the people recover. Instead, they followed the Soviet

Union's socialist pattern in developing domestic construction and exporting revolution. For example, Cuba developed sugar, a single-product economy, but relied on the Soviet Union for other products. The East European countries cooperated with the Soviet Union through the CEMA. As a result, each attended their own quotas while products were monopolized by the Soviet Union. The Soviet Union used oil and manufactured goods to exchange for daily necessities with East Europe, which resulted in uneven economic development. Following the disintegration of the Soviet Union, East Europe has suffered from oil shortages while the Soviet Union is short of daily necessities, including toilet paper, detergent, and even matches.

China Can Serve As An Example for Third World

Some African countries, including Ethiopia, Angola, and Zimbabwe invited Soviet advisers after gaining independence. They confiscated private enterprises and developed Soviet-style socialism. As a consequence, they were all thrown into an economic predicament. Following its revolutionary victory in 1975, Vietnam relied on Soviet aid and continued fighting in a war, which brought the country's economy to a standstill and created large numbers of boat people who fled to other countries. There are many similar cases we could mention.

Since the War, facts have proven that many Third World nations failed to win popular support by developing the economy and improving the people's livelihood following independence. Even worse, is that the political and military factions scrambled for power, resulting in endless coups, which undermined national strength. Instead of improving people's livelihoods after independence, these countries were disaster-ridden and their people fumed with resentment.

After drawing a bitter lesson from the decade-long "Cultural Revolution," China has summed up experience from mistaken lines at home and abroad, resolutely implemented the policy of reform and opening up, and focused attention on economic development and the people's livelihood. Thanks to constant economic development, public sentiment is stable. Meanwhile, China has adopted the policy of one country, two systems to settle the historic questions of Hong Kong and Macao, to unite the majority of Chinese at home and abroad. These practices have proven that Deng Xiaoping's line is successful.

CPPCC Standing Committee Meets 11 Mar

OW1103074392 Beijing XINHUA in English
0726 GMT 11 Mar 92

[Text] Beijing, March 11 (XINHUA)—The 18th meeting of the Standing Committee of the Seventh National Committee of the Chinese People's Political Consultative Conference (CPPCC) opened here today.

It decided that the fifth session of the seventh national committee will meet in Beijing March 18.

According to the decision, this session will examine a report on the work of the CPPCC Standing Committee, and discuss reports on government work, the national economic and social development program and the state budget.

The session will also discuss a proposal concerning the proposed Three Gorges project, China's largest water conservancy project.

The CPPCC has shown great concern about the project, with more than 50 CPPCC members directly participating in studying and approving the feasibility of the project.

Entrusted by chairman of the CPPCC Standing Committee Li Xiannian, vice chairman of the committee Hong Xuezhi addressed the 18th meeting, which is scheduled to close March 15.

CPPCC National Committee To Meet 18 Mar

OW1103075492 Beijing XINHUA Domestic Service
in Chinese 0505 GMT 11 Mar 92

[Text] Beijing, 11 March (XINHUA)—The fifth session of the Seventh National Committee of the Chinese People's Political Consultative Conference [CPPCC] is scheduled to take place in Beijing on 18 March 1992.

The decision was made at the 18th meeting of the Standing Committee of the Seventh CPPCC National Committee which opened this morning.

At the request of CPPCC National Committee Chairman Li Xiannian, Vice Chairman Hong Xuezhi chaired the meeting.

The meeting examined and approved the standing committee session's agenda and schedule, and examined and approved the decision of holding the fifth session of the Seventh CPPCC National Committee.

According to the meeting, the main items on the agenda of the forthcoming CPPCC National Committee session will be: Deliberating on the work report submitted by the Standing Committee of the Seventh CPPCC National Committee; and hearing and discussing the government work report, the report about the execution of the 1991 national economic and social development plan, the draft report of the 1992 national economic and social development plan, the report of the execution of the 1991 national budget and the draft report of the 1992 national budget, and the motion about the Three Gorges Project.

At the State Council's request Zou Jiahua, vice premier and chairman of the State Council Three Gorges Project Examination Committee, briefed the Standing Committee members about the examination of the report concerning the feasibility study of the Three Gorges Project. He also heard the views expressed by the Standing Committee members.

The meeting expressed deep condolences over the death of Standing Committee Members Xie Liang, Zhao Zili, Zhao Chaogou, and Leng Qihan, who died since the previous standing committee meeting.

Present at the meeting this morning were CPPCC National Committee Vice Chairmen Fang Yi, Gu Mu, Yang Jingren, Wang Guangying, Deng Zhaoxiang, Qu Wu, Wang Enmao, Qian Nuesen, Qian Weichang, Hu Sheng, Cheng Siyuan, Lu Jiayi, Qian Zhengying, Su Puqing, Ismail Amat, and Ding Guangxun; and Secretary General Song Demin.

CPPCC 1991 Proposals' Impact, Focus Viewed

OW1103120292 Beijing XINHUA Domestic Service
in Chinese 0513 GMT 11 Mar 92

[By reporters Zou Aiguo (6760 1947 0948) and Sun Yong (1327 0516)]

[Text] Beijing, 11 March (XINHUA)—It is learned from the national committee of the Chinese People's Political Consultative Conference (CPPCC) that submission of proposals—an important means through which CPPCC committee members participate in and express views on government and political affairs—has made important impact over the last one year. According to statistics, 1,438 committee members made a total 7,263 recommendations resulting in 1,804 proposals since the fourth meeting of the CPPCC Seventh National Committee; as of 20 February, relevant departments have handled or replied to 1,765 of the proposals, which amounts to 98 percent of the total number.

As informed, a majority of the proposals made since the fourth meeting of the CPPCC Seventh National Committee were centered on the implementation of the Ten-Year Development Program and the Eighth Five-Year Plan as well as major issues pertaining to national economic construction, political life, and issues close to the hearts of the masses. The suggestions and opinions proposed—which have had a positive effect on the formulation of policy and on ensuring practicality—were valued and highly acclaimed by relevant departments of the party and the people's government. Some proposals adopted for implementation produced much economic and social efficiency.

Of the 660 proposals pertaining to economic construction, most were proposals on revitalizing state-run large and medium-scale enterprises, and on reflecting the committee members' overwhelming concern over China's economic construction work. Relevant departments such as the State Planning Commission held that suggestions of the proposals are insightful, and some opinions were absorbed into the contents of the "Circular On Further Enhancing the Vitality of State-run Large and Medium-scale Enterprises" promulgated by the State Council.

The proposal on strengthening the management of "three types" of foreign invested enterprises reflected

the existing problems of the "three types" of foreign invested enterprises, and made suggestions on how to solve the problems. The State Planning Commission held that the suggestions were of significance to the work of competent departments of the people's government in further improving management of the "three types" of foreign invested enterprises, that earnest studies were carried out on the matter, and that the "Regulation on Directing the Trend of Foreign Investment" and the "1991-1993 Table For Directing Foreign Investment Industries" were formulated to determine the methods of economic adjustment and controlling measures.

The proposal suggesting use of effective measures to clear the "debt chain" was held by the People's Bank of China to be of value as a reference, and the committee members' suggestions were adopted in the formulation of measures to clear the "debt chain" problem.

In the proposal on further deepening and perfecting the rural household contract responsibility system, the suggestions stressed the importance of enhancing and perfecting the construction of the rural socialist service system and emphasized integration of centralized procurement, distribution, and revitalization of circulation of agricultural products. The Agriculture Department held that the issues raised in the proposals were very important and had a significant impact on determining key areas in the next step of rural reform. The committee members submitted the proposal to construct the multiple track Lan-Xin railway line in Xinjiang as a means to promote economic construction and development of minority nationality regions in the northwest, to enhance the regions' external links, and to promote nationality unity. The State Planning Commission and the Ministry of Railways were pleased with the proposal and have decided to include the construction of the multiple track Lan-Xin railway line in the Eighth Five-Year Plan's railways construction plan. Specific measures will be taken to ensure availability of construction funds for the project so that it can be completed as soon as possible.

NPC Plenary Session Preparations Complete

*OW1103112992 Beijing XINHUA in English
1118 GMT 11 Mar 92*

[Text] Beijing, March 11 (XINHUA)—Preparations are complete for the 5th plenary session of the 7th National People's Congress (NPC), which is going to be held March 20 in Beijing, an official with the organizing committee said here today.

Deputy secretary-general of the NPC Standing Committee, Cao Zhi, said that nearly 3,000 deputies will arrive in Beijing on the 16th and 17th. According to NPC regulations for deliberation, the draft laws involved and other documents will be distributed to the deputies before hand.

So far, 416 journalists of 77 press organizations from the capital area have registered to report the meeting. Foreign correspondents and reporters from Hong Kong, Taiwan and Macao began to register yesterday.

The General Office of the State Council has asked all of the chief officials of the ministries and bureaus not go out of Beijing during the meeting, and one leading official will be sent to each delegation to listen to their deliberations and answer their consultations during the session.

The State Statistics Bureau will come to the session for the first time, to supply statistics for the deputies.

Editorial Urges Economic Center Policy Adherence

*HK1103055792 Beijing GUANGMING RIBAO
in Chinese 26 Feb 92 p 1*

[Editorial: "Consciously Submit Ourselves to and Serve Economic Construction"]

[Text] Recently, Comrade Jiang Zemin pointed out when talking about thoroughly implementing the party's basic line of "one center, two basic points" that when insisting on taking economic construction as the center, the first condition is that other tasks must always obey and serve this center, must do so consciously, and must not deviate from and affect this center.

The basic duty of socialism is to develop the productive forces. The superiority of socialism is manifested by its ability to promote the development of the productive forces more quickly and effectively. The history of building of socialism in our country clearly indicates that to consolidate socialist system and ceaselessly promote the undertaking of socialism with Chinese characteristics; to fully develop the superiority of the socialist system, improve and raise the people's standard of living, and ceaselessly enhance its attraction and rallying force among the people; to completely eradicate destabilizing factors in society and maintain a long period of peace and order in the country; and to increase our country's influence and role in international affairs and meet the challenges and tests of a rapidly changing international situation and international competition, in the final analysis, it is necessary to vigorously develop social productive forces and ceaselessly increase economic strength. Therefore, tasks throughout the country must firmly adhere to the center of economic construction. Similarly, work in science, technology, education, culture, theory, politics, and law must consciously obey and serve this center.

To be able to consciously obey and serve the center of economic construction, it is necessary to further emancipate minds, boldly reform, and expand opening up. The development of economic construction needs stimulation from economic restructuring and coordination from science, technology, education, culture, theory, politics, and law. Without reform and opening up, the development of economic construction will be restrained

and will lose a strong motive force. At present, in the fields of science, technology, education, culture, theory, politics, and law, a great deal of work must be done to suit and satisfy the needs of developing economic construction and deepening economic reform. At the same time, the development of economic construction and deepening of economic reform have brought about many new conditions and issues to work in science, technology, education, culture, theory, politics, and law. To adapt to these new conditions and deal with these new issues, there is no other way out, and the only way out is to further emancipate minds and more boldly carry out reform and opening up.

To consciously obey and serve the center of economic construction, various departments must look at their own work characteristics and seriously do practical things for the development of economic construction and deepening of economic reform. "Obeying" and "serving" cannot stop at the level of being spoken and written, but must be seriously grasped and earnestly implemented and put into action. Departments responsible for work in science, technology, education, culture, theory, politics, and law must urgently meet the needs of economic construction and solve difficulties in economic reform. The leadership must attach importance to it on the one hand and mobilize the masses on the other. We need insight and knowledge on the one hand and pragmatic spirit on the other; we must be enthusiastic and active on the one hand and should make central plans and arrangements on the other; we should have a clear work program on the one hand and concrete service items on the other; we should have organization on the one hand and inspection on the other; and we should really do the work of serving economic construction solidly and seize practical results.

Consciously obeying and serving the center of economic construction is, in the final analysis, resolutely and thoroughly implementing the party's basic line and unswervingly advancing along the road of building socialism with Chinese characteristics which has been explored by Comrade Deng Xiaoping.

The party's basic line of "one center, two basic points" is an integrated whole. The upholding of the four cardinal principles and the upholding of reform and opening up must closely surround the center of economic construction. Only by doing so can we uphold the country's foundation, follow the road to a strong country, and promote the better and quicker development of socialist economic construction with Chinese characteristics.

Post-Tiananmen 'Predicament' of Press Viewed

HK1003045692 Hong Kong MING PAO in Chinese
9 Mar 92 p 4

[Article by Zhang Weiguo (1728 0251 0948): "Press Freedom Is the Only Way for Mainland Newspapers to Extricate Themselves From Their Predicament"]

[Text] When meeting former colleagues of mine at the beginning of the new year, I naturally talked shop and asked: "What is the circulation of your paper this year?"

Press Circles Have Become a "Scapegoat"

As everybody knows, the mainland's press circles have become a "scapegoat" since the Tiananmen Square incident in 1989. Because of the simple fact that the press has been "the mouthpiece of the party and government," the ordinary people have naturally targeted the press to vent their resentment against reality. Although there has been nothing like "the January Storm" of the Cultural Revolution when the Shanghai Municipal CPC Committee's official paper JIEFANG RIBAO's office was surrounded, they still have the freedom and right to refrain from subscribing to and reading the newspaper. Hence, the mainland press has lost its "reputation" again, which had been restored for a very short time, with circulation numbers falling and the industry in a slump. This proves true a popular saying in Beijing in May 1989: "To take one step forward in press reform is a 10-year leap, whereas one step of backward means turning the clock back 10 years."

This year, there has been much talk about reform and opening up and whether mainland newspapers will take the opportunity to extricate themselves from their predicament. As a colleague of mine disclosed, the number of subscriptions for the mainland's major newspapers are "basically at the same level as the same period last year." Experts in the industry who have analyzed the mainland's newspapers say that circulation is still a ways from "picking up." However, it has improved somewhat compared to two years ago, which has something to do with the general situation, especially after last year's floods. Circulation has increased somewhat, or fell by just 2 percent of the general volume of circulation. As a rule, it drops by 5 to 10 percent at the beginning of a new year and gradually picks up in the second quarter.

Are Newspaper Subscription Numbers Reliable?

Newspapers are mostly subscribed to with public funds on the mainland, and subscription work at the post office began in the fourth quarter of last year. At that time, the "anti-peaceful evolution" chorus was at its loudest. To augment political and ideological work, the CPC greatly increased its expenditure on subscribing to newspapers with public funds to "brainwash" ordinary people through its mouthpieces in order to insure its position of special privilege. This being the case, the saying that the number of subscriptions is "basically at the level of the same period last year" is questionable, not to mention the reduction in circulation of local and specialized newspapers. The actual reduction has been far greater.

According to statistics, by the end of June last year there were 1,534 newspapers on the mainland. Prior to the Third Plenary Session of the 11th Central Committee at the end of the 1970s, there were only 186 newspapers. In

other words, in the next 10 years, a new type of newspaper came into being every three days. However, such developments have been halted or reduced over the past two years. Furthermore, in the wake of the two major democratic campaigns in 1987 and 1989, the authorities banned a number of influential newspapers and journals such as SHENZHEN QINGNIAN BAO, SHIJIE JINGJI DAOBAO, JINGJIXUE ZHOUBAO, the monthly WENHUI, and the weekly XIN GUANCHA to maintain the pattern of taking CPC party and government official newspapers as the main corps of the mainland's press.

Ideological Outpost

The CPC as a political party naturally regards newspapers as its "ideological outpost." Even when the press carries, as it has recently, very reform-oriented and open speeches in the eyes of overseas readers, the press remains a mouthpiece and apparatus to implement "opinion guidance" for the Chinese people. Readers are always the "object" that must be "guided" and "instilled with correct ideas," whereas news workers must be educated and kept under strict control. Take for example the weeding out that began two years ago; the CPC Commission for Discipline Inspection relaying professional ethics for news workers; the completion and perfection of internal control systems for news organs; establishing press "deliberation and reading" organs in administrative organs and social organizations; and Beijing's Press and Publications Administration adopting "unified, dual-track control at various tiers." Unification means that, under CPC leadership, the pursuit of pluralism in guiding thinking is prohibited, and the main power to formulate decrees and regulations and to examine and approve newspapers goes to the management department at the central level; dual-track means the need not only to uphold the ideological guidance of CPC newspapers to ensure the correct guidance of public opinion but also to persist in the management of newspapers by administrative departments according to the law (they seem to have drawn a lesson from the handling of SHIJIE JINGJI DAOBAO); and different levels means that management departments at all levels, including the local authorities and the units directly in charge of newspapers, have corresponding authority and responsibility and are responsible at different tiers. It is perhaps precisely because of such controls that the synchronous progress of the mainland's media industry with reform and opening up has been impeded.

Accomplishments of Two Newspapers Are Making Themselves Felt

Despite a drop in the circulation of most newspapers and journals, worthy of note is the fact that the circulations of CANKAO XIAOXI and FAZHI RIBAO have increased somewhat. In my view, the reason for this phenomenon is that CANKAO XIAOXI can give readers information, scarce as it is, that is unavailable in the domestic press, just as it is the case that an increasing greater number of people have started listening to short-wave radio broadcasts. Such conditions are similar to

those in the days of the Cultural Revolution. I remember that at that time, CANKAO XIAOXI took the lead in circulation among all of the press. As for FAZHI RIBAO, aside from the realistic nature of its contents and the authorities' advocacy of the "spread of legal knowledge," the increase is due chiefly, I believe, more importantly to a gradual awakening of the people's sense of being the main body, power, and the law in the wake of opening wider to the outside world.

When I asked some senior news workers about their views on the mainland press, some said that in 1949 people could at least run nongovernment newspapers, but now...? Some friends said that press reform is not yet on the agenda; only when some prerequisites are resolved will freedom of the press naturally be realized. Viewing the lessons of the 1957 anti-rightist campaign and the 10-year Cultural Revolution, without free supervision of the press, it will be very difficult to insure China's correct orientation.

"Unanimous Public Opinion" Has Ossified Thinking

Numerous facts have revealed that if the people fail to become subjects of public opinion, no matter how hard one works to improve administration and invigorate the layout of the printed sheet, it will be very difficult to get rid of the pattern of "unanimous public opinion" and "a thousand newspapers harping on the same tune." Aside from slowing historical progress, such practices only suffocate and ossify people's thinking. With no freedom of the press, freedom in everything is reduced to a shadow. The mainland's newspapers will inevitably choose freedom of the press for reasons of extricating themselves from their predicament. Hong Kong's return to the mainland in 1997, media exchanges between Taiwan and the mainland on an equal basis, or the protection of basic human rights. For this reason, I persist with my viewpoint of several years ago: As an important essence of political restructuring, press reform should take the lead in making breakthroughs.

Li Peng, Jiang Zemin Confer Honorary Title

OW1103110592 Beijing XINHUA Domestic Service
in Chinese 0426 GMT 11 Mar 92

["The State Council and the Central Military Commission Issue an Order Conferring the Honorary Title of 'Model Flood-Fighting and Flood-Relief Militia Battalion Commander' to Comrade Li Hongwu"—XINHUA headline]

[Text] Beijing, 11 March (XINHUA)—The State Council and the Central Military Commission recently issued an order conferring the "Model Flood-Fighting and Flood-Relief Militia Battalion Commander" honorary title to Comrade Li Hongwu.

The order, signed by Premier Li Peng of the State Council and by Chairman Jiang Zemin of the Central Military Commission, states that Comrade Li Hongwu was a native from Nanxing, Longji Township, Anhui. He

and went to 1980 National Military Service in 1960, completed his military service and returned to his native area in 1977. He was made a military banner commander in his native village in 1977. He joined the Communist Party of China in 1980. During the fight against floods in 1981, at the head of a flood-fighting group in his village, he stayed at the ground dike day and night along with other group members. On 10 July, after having continuously fought the flood for over 11 hours and having helped two others out of danger, he suffered a brain hemorrhage and fell seriously on a dike due to serious exhaustion and the effects of deep water pressure as the result of long periods of diving. Though given first aid, he died promptly.

In view of the huge sacrifices and the Communist banner commander status that Comrade Li Hongyan has always shown, according to the undertakings of the party and society, and to his conscientious performance in different times, in his capacity as a commander of the village over the past 14 years, his battalion had been named an advanced unit several times for having fulfilled various military tasks. He was always ahead in every other situation with the job of managing some work and dealing with civil affairs work. He loved the party, comrades, and the people. He often sacrificed his own interests to help others; he helped people who were in trouble without expecting thanks or return; he grew rich out of the family industry in his village; he helped poor households out of poverty; he was generous in the face of difficulties, and gave a life and sacrifice spending the fight against floods; he dove in deep water as a flooded victim in order to avert danger; he died in the risk of being engulfed by flood waters; he promoted the huge sacrifices and the struggle and love of the party.

The noble devoted man Comrade Li Hongyan was an outstanding Communist Party member, a good leader of the people, a brave fighter, and a representative of advanced forces which emerged from the fight against floods. His name and portrait as heroic banner commander Li Hongyan as their role model were put with pictures of other party heroes in a big room and meeting space of Comrade Li Hongyan and were to have a strong reserve force for national defense.

Military

Communist Stresses Arms Party Branch Operation

(Xinhua, 100 Beijing, 2007 March 11, 1987)

(Trans. 12 April 1987)

China's Communist Party stressed the huge task of regular building of Party branches in China's rural areas.

China's top state planning is headquarters from its central committee headquarters and unified arrangements made by the General Political Department of the

army, were concentrated their attention on the development of grass roots party branches and did the job in a planned, step-by-step way. Great successes have been achieved. This year, we should implement the construction of the military communist and the general head quarters, follow past successful experience in intensive operations, in specific tasks, and further strengthen the regular development of grass roots party branches. In brief, our work of building party branches is changing from the stage of an intensive operation to a regular operation stage.

In the a good job in regular operations, we must first enhance our understanding and reach a consensus. Despite the achievements that have been made through intensive operations, we must never be complacent and there are signs of slackness. When assigning tasks to the whole army, to reach an "intensive operation" at the end of the year before last, leading comrades in the military communist pointed out with fore sight, "It is necessary to continue intensive operations with regular efforts and to work harder on basic tasks." As persons in charge with the thinking and coordinating operations to fulfill this requirement, because intensive operations can only solve problems regarding the building of party branches but can never solve every problem once and for all. The army establishment is fixed, while numbers rise and have the army all the time and grass roots personnel in particular have changed more frequently. When old comradeships and problems are solved, new ones will emerge in the wake of personnel changes. Nothing will develop in a perfectly balanced manner and the work of building up numbers will always arise in the development of party branches and will need to be done with. Therefore, regular efforts are necessary in the development of grass roots party branches as well as to other tasks. First, if we can work really hard, do persistent work, and make persistent efforts over after over, we will be able to lay down an increasingly firm foundation for the development of grass roots party branches.

In the a good job in regular operations, we must continue to implement the guiding principle of "strongly building party branches in rural, persisting in education, training the masses, of helping party branches, and striving to improve them in general, and must further consolidate organizations implement the system and steadily building, to be an "regular operations" are concerned, an important point lies in the necessity of steadily implementing various regulations and systems, be long as the various systems governing the operation of party branches are well implemented and the quality of party branches is improved, progress will be made in the building of party branches. It is necessary to continue steadily regulate the operation of grass roots party branches strictly according to the guideline laid by the chairman of the Military of the Army Political Work Meeting, Program for Building Grass-Roots Organizations under the Army Regulations Concerning Political Work, and Guidelines for Regular Ideological Work.

the Army. By implementing every system and solving one existing problem after another, we will be able to bring the work of party branch building into a regular, standardized, and systematic orbit, thus turning grass-roots party branches into very powerful fighting forces.

To do a good job in "regular operations," we must bring grass-roots party branches' intrinsic initiative into play and strive to increase party branch self-development abilities so that they will be able to do a solid job in every area of "regular operations." The higher the sense and ability of self-development on the part of grass-roots party branches, the more consciously they will integrate their self-development with practical army operations and party activities, combine ideological work with organizational development, solve various problems, and constantly enhance their combat strength. In relying on party branches for self-development, an important factor is the enhancement of the quality of secretaries of grass-roots party branches. It is necessary to ensure that party branches can promptly and correctly handle contradictions and problems they encounter in "regular operations" strictly in accordance with the regulations and systems and that they can guide leading bodies under them to constantly enhance their ability to solve their own problems and improve the overall performance of their own units.

To do a good job in "regular operations," and lead people and organs at all levels, brigade and regimental party committees and leading organs in particular must assume an important responsibility. One must run "regular operations" as attentively as "intensive operations," constantly pay attention to the developing situation in building grass-roots party organizations, regularly study new cases and solve new problems, and give specific and effective assistance and guidance to ensure that the regular operation of grass-roots party branches will be run more meticulously, in a more down-to-earth manner, and further in depth.

Only hard work in spring will produce a good harvest in autumn. Let us work hard on all aspects of "regular operations" at the beginning of the year, do a meticulous job, make unremitting efforts, and usher in the 14th National Congress with new successes in the building of grass-roots party branches in the army.

Army Paper on 1992 Training Guidelines, Tasks

HK060115087 Beijing JHEFA/CHINA 021
in Chinese 12 Feb 92 2

[By correspondent Cao Bozang (135) (1) to (1) (2). People's Liberation Army General Staff Headquarters Issues Document Outlining Guidelines and Tasks for This Year's Military Training.]

[Text] The General Staff Headquarters has issued a relevant document before military training for the new year began, proposing the guidelines and tasks for the army's military training this year. Military training in 1992 should uphold the Central Military Commission's principle of

attaching importance to quality building and the spirit of related meetings closely centring around elevating training quality in a comprehensive way, working hard to acquire perfect mastery of military skills, proceeding from live operations, implementing training in a regular way, laying a solid foundation, augmenting collective training, earnestly studying and conducting training in tactics, and working hard to improve the Army's ability to safeguard national security.

While making arrangements for this year's military training, the General Staff Headquarters stressed that all units should conduct training based on the requirement for live operations at high standards. It is necessary to proceed from war-readiness at all times, exert efforts to properly grasp technological and tactical basic training and augment quick-reaction maneuvers, adaptability training, and collective training in tactics to improve the Army's operational efficiency in combined operations, quick-reaction ability, electronic countermeasures, survivability in field action, and logistics insurance under modern conditions in a comprehensive way. To accomplish this, leadership and organs at all levels should place military training at the central position in a down-to-earth way, proceed from the Army's actual conditions and further augment organization and leadership in accordance with the Central Military Commission's principle of attaching importance to quality building, taking the road of nurturing selected men with Chinese characteristics. It is imperative to standardize and institutionalize the requirements for military training (namely, "the party committee discusses military affairs, senior officers push it with the work, and organs work with concerted efforts in coordination," while making such measures constant to give good play to the party committee's role as the core of leadership, the exemplary role of senior officers, and the functional roles of organs). In guiding training it is necessary to consciously implement the principle of proceeding from the needs of live operations. Training should be hard and strict to improve the Army's combat effectiveness. The practice of getting to the needs of actual combat and training using live ammunition, explosives, and grenades, throwing must be adhered to, with the courage to temper the Army in an arduous and complicated environment. The practice of avoiding the difficult, dwelling on the easy, and playing tricks must be opposed and such unhealthy tendencies as formalism and deception must be corrected.

In addition, the General Staff Headquarters stresses that weak foundation in training is the obstacle to elevating the training level of the Army as a whole. All units should start from laying a foundation and, seeking quality, grasp quality improvement in training basics as an important engineering project. They should extensively develop "three aspects" (see above 0005 (087) activities, "two capabilities" (coaches and six-capability staff officers), while exerting efforts to train and bring along a number of cadres and backbone personnel with solid foundations and perfect mastery of various skills to push forward

elevating the training level of the whole Army. The new characteristics of modern warfare urgently demand that our Army take Mao Zedong's military thinking as its guidance, augment training at night in mobility, encampment, and combined campaign and tactics under conditions similar to live operations, while studying and practicing in depth the approaches to overcome an enemy with advantageous equipment by means of our existing equipment. The implementation of training decrees and regulations in a down-to-earth way is the essential requirement for realizing regular training and the inevitable road to improving training quality. It must be properly grasped. All units must push forward the implementation and progress of military training based on the requirement of establishing regular training order and strictly abide by the training decrees and regulations to organize implementation of training activities with legal restrictions.

In view of the fact that the gap between logistical training and actual demand remains rather great, the General Staff Headquarters required all units to continue to adhere to the principle of unified planning with due consideration and comprehensive arrangements, insuring focal points, augmenting administration, and improving results while giving full play to subjective initiative and enthusiasm of all sides to work hard to improve training quality under the condition of insufficient supply.

Chi Haotian Instructs on Army Vehicle Checks

(DHS0014278) Beijing XINHUA News Agency, 10 Mar 92 in Chinese (042 GMT) Page 3.

[Text] Beijing, 1 Mar (XINHUA) A nationwide army telephone conference. Chief of General Staff Chi Haotian pointed out that the current check-up will not be limited to solving problems on the deployment of military vehicles. He expressed the hope that the check-up would further promote the building of an honest administration in the Army and improve Army discipline and quality. The Central Military Commission called for the active coordination of all fighting units and departments and called on them to do a good job. It called on all levels of leading cadres to play leading and exemplary roles. Priority in the current check-up work should go to checking the exact number of military vehicles and deploying vehicles, deployment, formulating practical management methods, rectifying management order and advancing adjustment opinions and suggesting reform proposals to rectify defects in the deployment of military vehicles. Rectification of nonmilitary vehicles will also be carried out in the current check-up. Accord-
ing to the requirements and arrangements of the Central Military Commission headquarters and taking the actual condition of concerned units into consideration, we should deal with problems found during the check-up, we should group problems into categories according to the nature of the problems. It is necessary to properly handle problems according to policy. Finally, when faced with tough problems, it is necessary

conduct meticulous investigations, seek the responsibilities and try to solve them step by step.

Military Leaders at All-Army Afforestation Rally

(DHS0014289) Beijing XINHUA News Agency, 10 Mar 92 in Chinese (042 GMT) Page 3.

[Be] JENMIN JIUBAO reporter, 10 Mar, (DHS0014289) and XINHUA reporter, 10 Mar, (DHS0014289) in Chinese (042 GMT) Page 3.

[Text] Beijing, 1 Mar (XINHUA) An all-Army commemoration rally to mark the 10th anniversary of the voluntary tree-planting campaign was held in the auditorium of the People's Liberation Army's (PLA) General Logistics Department this morning.

Over 1,000 people attended the rally. The presiding leading Central Military Commission members Gen. Huang Yong Baohong, Gen. Chi Haotian, and (Gen. Xiang) State Councilor (Gen. Xiang) Hong Xuebin, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, and commanders and fighters in the three armed forces stationed in Beijing.

An announcement to continue the tree-planting work of the all-Army afforestation campaign and 10 tree-planting models was read at the rally. Leading comrades at the rally awarded plaques and trophies to representing units of advanced units and individuals.

Gen. Huang, vice chairman of the Central Military Commission, spoke at the rally. He said: During the past decade, the broad ranks of officers and men from all armed services have personally responded to the appeals of the party, Central Committee, the State Council, and the Central Military Commission by actively, voluntarily and actively engaging in tree-planting and afforestation activities. According to statistics, 10 million trees have been planted around military barracks of the Armed Forces, and over 40,000 hectares of land have been afforested. The Armed Forces have afforested more than 70 percent of barren hills that can be cultivated into forests. Additionally, they have helped neighbors plant 7.1 million trees. The Air Force has afforested and grown grass on 1.11 million hectares of land for aerial sowing operations. On behalf of the Central Military Commission, he warmly congratulated the units and individuals that were awarded letters as advanced units in the all-Army afforestation campaign and as tree-planting models. He also extended warm regards to the large numbers of cadres, fighters, workers, staff members and their family members who had worked hard at the forefront of tree-planting and afforestation activities during the past decade.

Gen. Huang urged commanders and fighters throughout the Armed Forces to further improve their understanding of the significance of greenery, the motherland, through tree-planting and afforestation. He also asked

them to further heighten their sense of mission, responsibility, and urgency regarding afforestation and tree-planting activities. He exhorted them to conscientiously make more contributions toward greening military barracks and the motherland. He called on leaders at all levels to further improve organizational efforts and guidance in connection with afforestation activities and to demonstrate a revolutionary concern for the welfare of posterity by developing sound plans for afforestation activities, setting relevant goals, and earnestly assuming the heavy task of leading afforestation activities.

Liu Huaqing asked all the armed services to further foster the sense of being masters of their own affairs by taking pride in greening military barracks. He urged them to take account of the overall interests of national construction and to engage more actively and conscientiously in local tree-planting and afforestation activities. He asked them to carry forward our military's glorious tradition to solidify the unity of the military, government, and people, and to shape a new image of the People's Army, whose working to green the motherland.

State Council Vice Premier Qianqun spoke at the rally and extended his warm congratulations on behalf of the State Council. He said, "The PLA has always played a vanguard role and made important contributions since the nation-wide voluntary tree-planting campaign was launched. Its members have proved themselves to be the vanguards of the green-the-motherland campaign, lived up to the glorious image of the People's Army as a master of civilization, and set an example for people throughout the country. He expressed the hope that commanders and fighters in the Armed Forces would achieve greater success, preserve their honor, and continue to serve as vanguards and models in accelerating the pace of afforesting the motherland."

PLA Cited on Chemical Weapons Cuts Verification

HKU0009479, Beijing, ZHONGGUO JIANGONGJINXUN (JGJ) in Chinese and English.

[By Correspondent Jing Huo, Beijing, 1992.]

[TJG] Beijing, 11 Mar. ZHONGGUO JIANGONGJINXUN (JGJ) The Chinese People's Liberation Army (PLA) Antichemical Corps Department today announced at a news conference, "At the third round of comparative tests of chemical weapons cuts in the international laboratory (International Joint Test) in which China's verification rate was the highest, precision rate was the best, analysis method was the most perfect, and result was the finest. China ranked two again after the second round of the international joint test. The results of the two rounds indicated that China's technology for inspecting and verifying chemical weapons cuts has already joined the world's advanced line."

After the signing of the international treaty on chemical weapons cuts, verification of chemical weapons cuts is an important means to supervise the situation of the implementation of the treaty. In order to have effective

inspection and verification, it is necessary to have a standard inspection and verification procedure and method, and to choose some countries with corresponding ability to establish an international laboratory for inspection and verification of chemical weapons cuts. In order to express China's positive position toward the talks on the treaty banning the use of chemical weapons, the Chinese Army's Antichemical Command and Engineering Institute accepted an invitation and took part in the second and third rounds of the international joint test on behalf of the country.

The second round of the international joint test took a mock inspection of a chemical factory in a certain country as the background. It took samples of acetylation from the production line's raw materials, carbide reaction cans, pipes, waste water (gas), and the protective masks used by workers. By independent effort, the participant countries have to complete an analysis report on the result of the test in one month from the time they received the samples. Knowing nothing about the background of the samples, the Antichemical Command and Engineering Institute organized teaching staff and scientific research personnel to work hard closely day and night, smoothly fulfilling the duty. In March 1991, at the international meeting of the experts on the joint test, UN official working for chemical weapons cuts announced that among the 15 countries taking part in the test, including China, the United States, France, Britain, Germany, the Soviet Union, the Netherlands, Switzerland, Norway, Finland, Czechoslovakia, Canada, Australia, and India, China's precision rate of the test was high, ranking five.

In August 1991, the Chinese Antichemical Command and Engineering Institute was again entrusted with the mission of participating in the third round of the international joint test. This time, it was a mock inspection of a military installation in a certain country, involving three kinds of sample: Rubber (concrete and paint). Compared with the second round of tests, the content of chemical compound was even less and the difficulty was greater. But China again scored a result even better than the second round, its total mark ranked five among seven countries.

Tianjin's Tan Shaowen at Double-Support Meeting

MA00004109, Tianjin People's Radio & Television, 2001 (AF) 79.2.20.2.

[Excerpts] On the morning of 20 February, at Tianjin Assembly Hall, the municipal party committee, the municipal government, and the Tianjin Garrison District simultaneously held a meeting to sum up experiences in creating double-support work model districts and counties and to commend the advanced collectives and individuals emerging from the double-support work campaign.

Some municipal party government and army leading comrades, including Tan Shaowen, Xu Bochu, Wang Xudong, Yang Zhibao, Chen Dexi, Lu Aizheng, Pan

Yiqing, Song Pingshun, and Zhang Haosheng, attended the meeting. Responsible comrades of the national double-support work leading group, the PRC Ministry of Civil Affairs, the general political department of the People's Liberation Army, the armed police headquarters, and the Beijing Military Region paid special visits to Tianjin to attend the meeting and to read congratulatory messages at the meeting. Nie Bichu, deputy secretary of the municipal party committee and mayor of the municipal government, relayed Premier Li Peng's speech made at the national meeting to name double-support cities and counties. Wang Xudong, deputy secretary of the municipal party committee and head of the municipal double-support work leading group, delivered a report on the 1991 campaign of creating double-support districts and counties and the 1992 double-support work tasks. [passage omitted]

Yang Zhibiao, Standing Committee member of the municipal party committee and commander of the Tianjin Garrison District, read the decision on naming and commending the advanced collectives and individuals emerging from the double-support work campaign made by the municipal party committee, the municipal government, and the Tianjin Garrison District. [passage omitted]

Jian Shaowen, secretary of the municipal party committee and first secretary of the party committee of the Tianjin Garrison District, made a speech at the meeting.

He said: We should approach from the high plane of safeguarding social stability and building socialism with Chinese characteristics to understand fully the strategic significance of strengthening the unity between the Army and the government and between the Army and the people, serve and submit ourselves to the central tasks of the party, and play a key role in promoting economic construction and army building. We should pay attention to the work of the grass roots, realistically implement the measures for creating double-support models on the principle that the party, the government, and the Army should jointly grasp and manage the double-support work, and further strengthen the organizational leadership over the campaign of supporting the Army and the government and creating double-support models. Under the new situation, we should redouble our efforts, do our work in a down-to-earth manner, further make a success in the campaign, consolidate and develop the new army-government and army-people relations characterized by sharing a common fate and heart linked to heart, and welcome the convocation of the 14th party congress with outstanding double-support work achievements.

The meeting was presided over by Chen Deyi, political commissar of the Tianjin Garrison District.

Shanghai Soldiers Carry Forward Lei Feng Spirit

(DW 030301/1992 Shanghai People's Radio Network in Mandarin: 700 GMT / Mar 9.)

[From the "Morning News" program]

[Text] On 1 March, 100,000 soldiers and people in both urban and rural areas of Shanghai carried out various activities to serve the people in streets, as well as at railroad and bus stations, docks, key construction project sites, and nursing homes. In so doing, they were carrying forward the Lei Feng spirit with deeds.

Major Generals Zhu Xiaochu and Xiang Shourong, political commissar and deputy commander respectively of the Shanghai Garrison District, visited and presented cash gifts to widowed senior citizens at the No. 1 municipal public welfare home in the early morning. They also joined the cadres and fighters of the Good-Eighth Company in cleaning up the environment for the senior citizens.

Rear Admiral (Shen Bing), naval commander in Shanghai, and several hundred naval officers and men helped take care of old and young passengers, and sweep away rubbish at the Shanghai Railroad Station. Major Generals (Huang Hengmei) and Lu Naihe, air force commander in Shanghai and commandant of the Second Military Medical University respectively, joined other officers and men in serving the people at (Wujiaochang). Major General Zhang Jie, political commissar of the Air Force Political Academy, led some cadres and fighters to visit the elderly residents at the public welfare home of Yangpu District. Officers and men of the Shanghai municipal people's armed police corps did voluntary work at the construction site of the Changshu Road subway station. At the same time, the vast number of militia in both urban and rural areas of Shanghai were also engaged in activities of serving the people at various localities.

Some 30 serve-the-people teams, composed of nearly 1,000 students from 44 secondary technical and vocational schools in Shanghai, began the activities of a serve-the-people week in front of the Shanghai Fine Art Gallery on Nanjing Road. The serve-the-people week is a part of this year's campaign for 100,000 future builders of Shanghai to learn from Lei Feng. About 20,000 members of the Communist Youth League from among young workers of the Shanghai Railroad Bureau publicized the Railroad Law and some common sense on railway travel at the Shanghai station and more than 200 other spots yesterday (1 March). They also helped take care of old and young passengers. Some 5,000 workers of the municipal housing department provided housing consultancy service at 350 consultancy service stations set up by the department across Shanghai yesterday. They answered various questions raised by more than 30,000 residents about housing policies. Some 80,000 middle and primary school students in Putuo District provided various services to people in the street as part of their social practice activities yesterday.

Economic & Agricultural

'Roundup' on Efforts To Join Copyright Convention

OW 1003125392 Beijing XINHUA in English
1217 GMT 10 Mar 92

[Roundup: China Steps Up Efforts To Protect Intellectual Property]—XINHUA headline]

[Text] Beijing, March 10 (XINHUA)—China is stepping up its efforts in setting or revising intellectual and industrial property laws and is preparing to join the international copyright convention.

"China will particularly strengthen its protection of medical drugs, industrial and agricultural chemicals and computer software," said Duan Ruichun, a bureau chief from the State Commission of Science and Technology.

"The effort is also aimed at meeting the needs of China's reform and opening to the outside world and to keep abreast with the world scientific and economic development," noted Duan, who was also deputy-head of the Chinese delegation to the Sino-American trade talks on the protection of intellectual and industrial property early this year.

According to the State Commission of Science and Technology, China over the last decade has already set up a complete legal system to protect patents, trademarks and copyrights. "But now, we're striving for the internationalization of China's intellectual and industrial property system," Duan said.

Since China implemented the Trademark Law in 1983, the country has registered 270,000 trademarks, according to the Chinese official.

"China's trademark law has adopted international standards and legal procedures," he explained. "A number of factories producing goods with fake trademarks, particularly with foreign labels, have been penalized."

To give strong protection of trademarks, China is at the moment revising its nine-year-old Trademark Law and considering adding provisions on service trademarks, according to Duan.

Since China implemented its Patent Law in 1985, the country has accepted 200,000 applications for patent rights from home and abroad, and 70,000 of them have been granted the patent right of invention and creation. "20 percent of the patent rights have been granted to foreign enterprises and individuals," Duan noted.

The Chinese Government is now revising the patent law and hopes to extend its protection period of patented products from 15 to 20 years. "Chemical and medical products made with patented technology would also enjoy patent protection," he said.

China started implementing its Copyright Law only last year. But the country is preparing to join the Universal

Copyright Convention this year. "Joining the convention means China would have to protect works and computer software published and made by other nations that have signed on," Duan remarked. "China will protect software for as long as 50 years."

"China's efforts to protect industrial and intellectual property are not expedient measures," Duan said. "It's part of China's policy of reform and opening to the outside world. It expresses the will of the state as well as of the people."

"China will try to create a good environment and order for international cooperation," he remarked.

Ministry Steps Up Foreign Trade Systems Reform

OW 1103084992 Beijing XINHUA in English
0827 GMT 11 Mar 92

[Text] Beijing, March 11 (XINHUA)—The Ministry of Foreign Economic Relations and Trade (MOFERT) is to publicize another group of internal documents about import-export regulations, sources told XINHUA.

In the past three months, MOFERT already made public 32 such documents.

To improve transparency is an important step China is taking to further step up the reform in its foreign trade system.

Observers here believe that, beginning from this year, China is to quicken the reform in the foreign trade system, the imports managing mechanism in particular, in line with the international norms regulated by the General Agreement on Tariffs and Trade (GATT).

In fact, the trend to quicken reforms emerged early last year.

From 1979 to 1987, China's reform in its foreign trade system lingered in the stage of "investigation and study." It stepped out in 1988 when a responsibility system was introduced and the amount of state subsidy was frozen.

The reform mended its pace in 1991, when China abolished the export subsidy and made the foreign trade enterprises responsible for their own profits and losses. In addition, the state further opened the swap market of foreign currency, regulating that no administration should intervene the inter-province exchange of foreign currency.

For over a year, such a bold reform step did not slow down the foreign trade, on the contrary, it has promoted the country's exports and imports.

Statistics by the State General Administration of Customs show that in comparison with 1990, the total foreign trade volume last year rose by 17.5 percent to 135.7 billion U.S. dollars; the trade with the United States reached 14.2 billion U.S. dollars, an increase of 20.67 percent; that with the European Community, more

than 15.1 billion U.S. dollars, up 10.12 percent; and that with the Association of Southeast Asian Nations, 7.9 billion, up 19 percent.

The economic efficiency of the foreign trade enterprises last year also improved. By the end of last September, the bank loans they used were 2.47 percent less than at the beginning of the year, and export costs were 12.5 percent less than the same period of 1990.

Sources told XINHUA that in the imports management system, this year's reform includes gradually abolishing the imports subsidy for some goods so as to let domestic and foreign goods compete on an equal basis. Reform also means cutting down import licensing, reducing the taxation on imports and replacing the governmental administration on foreign trade with economic measures such as taxation and exchange rates.

More laws and regulations will be worked out and the service system improved to help promote foreign trade.

Li Lanqing, minister of MOFERT, said earlier that the aim of the reform is to establish a foreign trade system that conforms both with the domestic economic system and the international norms.

'Roundup' Views Yangtze Investment Opportunities

OW1003073892 Beijing XINHUA in English
0636 GMT 10 Mar 92

["Roundup: Areas Along Middle, Lower Reaches of Yangtze Preparing for New Upsurge of Foreign Investment"—XINHUA headline]

[Text] Nanjing, March 10 (XINHUA)—Areas along the middle and lower reaches of the Yangtze River, China's longest, have been making greater efforts to improve their investment environment so as to prepare well for the new upsurge of foreign investment.

The areas consist of Hubei, Jiangxi, Anhui, Jiangsu Provinces and Shanghai Municipality. They are China's industrial-intensive zone and an important base for productivity. Now many fine ports, new industrial cities and various regional industrial networks have been built or established in the areas.

Since last year, Wuhan, capital of Hubei Province, has invested over 100 million yuan to speed up the construction of the highway bridge across the Yangtze and the building of Tianhe International Airport, and has installed 90,000 computer-controlled telephones.

Jiujiang city, also a well-known tourist site in Jiangxi Province, has put up a large amount of money to strengthen its construction of infrastructure.

According to local officials, this year the city planned to invest one billion yuan to build a chemical fertilizer plant, and invest another 1.7 billion yuan for the installation of generating units.

Officials from the Anhui provincial government also disclosed that the province decided to invest several tens of billions of yuan to build more than 100 large and medium-sized projects involving energy and raw materials in the next four years.

As more and more foreign investors realize that the economically-developed areas along the middle and lower reaches of the Yangtze have great potential for investment, so a new upsurge of foreign investment occurs in the region.

Information from different governmental departments shows that since 1990, the number of foreign-funded industrial projects set up in the areas has increased most sharply.

In Jiangsu, a total of 1,138 foreign-funded enterprises were founded last year, surpassing the total of foreign-funded enterprises set up in the previous several years. And the foreign investment in the province has kept its high momentum in the past two months of this year.

Shanghai city, China's leading industrial center, approved the establishment of 365 foreign-funded enterprises in the city last year, the highest record in 12 years. Several hundred other foreign investment projects are still under heated negotiations, including some large projects each with an investment surpassing 100 million U.S. dollars, local officials told XINHUA reporters.

Economic experts point out that the central government's decision in 1990 for developing the Pudong New Development Zone in Shanghai has greatly promoted the development and opening of the overall economy along the Yangtze, and has made the region along the middle and lower reaches of the Yangtze become the new hot spot for foreign investment.

Incomplete statistics show that so far, some 5,000 foreign-funded enterprises have been set up in the region, more than half have been approved and established in the past two years.

The experts believe that the successful construction of the Pudong New Development Zone will play an exemplary role for development in the areas along the middle and lower reaches of the Yangtze.

The foreign-funded projects set up in the Pudong New Development Zone reached 98 last year, accounting for 25 percent of Shanghai's total that year, and several other investment projects, with their total investment surpassing several billions of U.S. dollars, are still being negotiated, said local officials.

Major Banks To Inject More Funds Into Pudong

OW1003110792 Beijing XINHUA in English
1006 GMT 10 Mar 92

[Text] Shanghai, March 10 (XINHUA)—A recently closed meeting of the Pudong branch of the Industrial

and Commercial Bank of China disclosed that this year the branch will introduce 300 million yuan of capital from its head bank.

Moreover, the bank will increase all kinds of loans by a total of 1 billion yuan. About 80 percent of the loans will go to the export-oriented and the large- and medium-sized enterprises as well as the development of three districts in the Pudong area.

According to reports, the People's Bank of China, the Bank of Communications and the Agricultural Bank will also increase their input of capital by big margins.

In addition, the Pudong New Area will issue this year 100 million yuan of A shares, 100 million U.S. dollars of B shares and 500 million yuan of bonds.

Daily Cites Jiangsu Governor on Reform, Opening

*OW1003093892 Beijing XINHUA in English
0720 GMT 10 Mar 92*

[Text] Beijing, March 10 (XINHUA)—Authorities in east China's Jiangsu Province worked out new plans in order to quicken its steps on economic reform and opening to the outside world, the OVERSEAS EDITION of today's "PEOPLE'S DAILY" [RENMIN RIBAO] quoted the province's governor Chen Huanyou as saying.

The province plans to focus on the development of advanced technology and expansion of international markets this year, Chen said yesterday in a report on the provincial government work at the fifth session of the seventh provincial people's congress.

Chen said that to promote its economic reform and opening to the outside world, the province will learn and use the management experience of other countries.

To improve its basic facilities, including communications and energy, the province will try to receive more loans from foreign governments and international financial circles, Chen said.

The province will put the stress on the construction of development zones in Nantong, Lianyungang and Kunshan and improve the management mechanism for its large and medium-sized enterprises.

Chen said, although the province suffered from serious floods last year, the gross domestic product reached 143.5 billion yuan last year, a 6.3 percent increase over 1990, and the domestic income reached 124.2 billion yuan, a 6.2 percent increase over 1990.

The province last year increased foreign-funded enterprises by 1,142 with total investment of 790 million U.S. dollars, according to Chen.

Daily on Hainan Large-Scale Development Conditions

*HK1003101292 Beijing RENMIN RIBAO in Chinese
1 Mar 92 p 1*

[By Bao Hongjun (7637 3163 0193) and Lin Fengsheng (2651 7685 3932): "Hainan Is Equipped With Conditions for Large-Scale Development"]

[Text] In the early spring of the Year of the Monkey, an unprecedentedly good situation for introducing advanced foreign technology, forming cooperation with hinterland regions, and carrying out development and construction has emerged in Hainan. In January, actual foreign investment in the province reached \$17.91 million, a one-fold increase over the same period last year; 49 foreign-invested enterprises were approved, a 75-percent increase over the same period last year; investment from other provinces reached 90.38 million yuan, a 35.7-percent increase; and approval was given to 35 Hainan-hinterland joint enterprises, a 94-percent increase.

In the meantime, the construction of industrial, tourist, and financial development zones as well as a number of key projects, such as a speedway in the eastern part of the province and the Fenghuang airport in Sanya, are in full swing. These zones are taking on a new look. Days ago, provincial party committee Secretary Deng Hongxun told these two reporters: "Through four years of hard work, Hainan is now equipped with the basic conditions for large-scale development."

Hainan's good construction situation is a result of the marked improvement of its investment environment. Since the commencement of the mobile telephone system in Haikou and Sanya cities on 20 February this year, a complete posts and telecommunications system has taken shape in Hainan. Direct telephone dialing is now used in cities and counties throughout the province. Direct long-distance telephone dialing is now available from seven cities and counties, including Haikou and Sanya, to over 900 cities in the country and 195 countries and regions in the world. There are three main highways from the province's northern to southern parts, connecting with four main east-west highways. Sixteen more berths have been built in 20 ports, and six of these berths are at the 10,000-tonnage level. There are more than 20 international and domestic routes from Haikou and Sanya airports. The province's installed electrical capacity amounts to 815,000 kw, a more than two-fold increase over the period before the establishment of Hainan Province. Since the province's establishment, it has accumulated an investment of 5.8 billion yuan for the construction of basic facilities.

Environmental construction in Haihai is also improving. Over the last few years, Hainan's "small government, big community" system has helped streamline administration and improve work efficiency. To protect investors' legitimate rights and interests, the province has

announced and implemented 145 local rules and regulations, including the "Regulations on Foreign Investments in the Hainan Special Economic Zone [SEZ]." Since last year, the province has devoted down-to-earth efforts to socialist ideological education, to correcting malpractices, to screening illegal occupation of houses, to removing vices, and to exercising comprehensive management over social order, thus providing a "stable, harmonious, and orderly" environment for the SEZ. Hainan is gradually forming its own civilization image.

When the flowers are fragrant, the butterflies come voluntarily. In 1991, the province approved 470 foreign-invested enterprises, with actual investments of \$210 million, exceeding the state plan by 62 percent; it approved 535 Hainan-hinterland joint enterprises, with actual investments of 1.2 billion yuan from other provinces, a 46-percent increase over the previous year. Since the establishment of the province, foreign investments have totaled \$740 million and investments from other parts of the country have amounted to 3.39 billion yuan; and 1,857 foreign-invested enterprises and 5,344 Hainan-hinterland joint enterprises have been set up. In 1991, Hainan-hinterland joint enterprises registered an output value of 1.46 billion yuan, accounting for 27 percent of the province's industrial output value; they created a foreign exchange income of \$200 million, almost one-third of the province's foreign exchange income from exports. Reform and opening up have markedly improved Hainan's economic strength. Last year, the province's gross industrial and agricultural output value amounted to 11.76 billion yuan, a 250-percent increase over 1987; its exports totaled \$620 million, a 540-percent increase over 1987.

Tian Jiyun on Anhui Commodity Circulation
OW0703135192 Hefei ANHUI RIBAO in Chinese
29 Feb 92 pp 1, 4

[Speech by Tian Jiyun at the Anhui conference on commodity circulation work on 14 November 1991: "Situation, Challenges, and Tasks"]

[Text] In the past 10 years or so since reform and opening to the outside world were introduced in our country, profound changes have taken place in China's rural and urban areas and in economic management and the people's concept of values. At present, the commercial and commodity circulation fronts are faced with a new situation and challenges, and reform of state-run cooperative commercial enterprises has become an arduous task.

I. The Situation

Since the Third Plenary Session of the 11th CPC Central Committee, many changes have taken place politically, economically, and in the people's concept of values in our country as a result of more than 10 years of reform and opening to the outside world.

1. The most drastic changes took place in rural areas. The system characterized by the integration of government and enterprises, unified collective management, unified accounting, and unified distribution of income has been transformed into a responsibility system by which government and enterprises are separated; the collective and the household are responsible for management, accounting, and income distribution; and the household contract responsibility system with remuneration linked to output forms the foundation. Moreover, the majority of prices for agricultural products have been decontrolled, except for the prices of those products purchased by the state through contract and dealt in exclusively by the state. All this, plus the development of the collective economy and village and town enterprises, has brought about drastic changes in rural areas. Rural structural reform is the basic motivating force propelling the development of agricultural production and accelerating the transformation of appearances in the countryside.

2. The transformation of the planning and management system. The overcentralized system of the past, in which all matters had to be decided by Beijing, has been gradually transformed into an economic system and operative mechanism that combine a planned economy with market regulation. Market regulation has gradually expanded, and it now plays an increasingly important role in economic life. This is the basic factor that boosted economic vitality, increased the variety of commodities, and enlivened the market in the past few years. The older comrades will be clear if they think for a moment and compare the past with the present. In the past, it would be impossible for an enterprise to build quarters for its staff and workers on its own. It had to submit a report to higher authorities even if it wanted to build a bathroom for its workers, and the process of submitting reports and approving a request consumed a lot of time before a problem could be solved. What about now? No permission is needed to build workers' quarters, much less a bathroom. Of course, in some cases applications are still needed for construction quotas, but it is much easier now.

3. The transformation of the financial distribution system. The past system of unified revenue and unified expenditure and of everyone eating from the same big pot has been transformed into a system by which management is shared by organs at various levels and the method of eating from the same big pot has been eliminated. Each unit has its own finances and a sum of flexible funds at its disposal. In the past when money was needed to fund a project, big or small, the application had to go through channels to the Ministry of Finance. Of course, when local authorities are in difficult times, they still look to central authorities for funds, but the process has been reversed to a large degree. Now, when the central authorities have difficulties, they borrow money from local authorities and enterprises. Is this not a big change? This is what is meant by having decision-making power. Each unit now has its own finances.

Many things can be done by asking the Ministry of Finance for instructions. The governor, mayor, and county heads have some power to make decisions. Thus, everyone is a master of the home and has some decision-making power.

4. The transformation of economic sectors. The single-sector economy of the past has been gradually transformed into a multisector economy which has public ownership as its main body and allows the reasonable development of private enterprises, individual businesses, and joint ventures, wholly owned enterprises, and cooperative enterprises. To a certain degree this has given rise to competition among the various sectors of the economy. This competition will determine who is the strongest. This will determine whether state-run commercial businesses and state-run enterprises will do well in the competition. In other words, it is not enough to rely on trademarks alone. They have to exploit their advantages and sharpen their competitiveness.

5. Changes in the circulation system. The old unitary state-run cooperative commerce, single-channel system of circulation, and state monopoly of the past have been replaced by coexistence of diverse sectors of the economy, a multichannel system of circulation, and diverse modes of business operations, bringing about considerable progress in the development of collective, private, foreign-invested, and individually-run enterprises. A situation of competition among diverse sectors of the economy has taken shape and will continue to develop.

6. Changes in the system of distribution and the distribution of consumption. The system of distribution was quite simple. There were 32 grades when the administrative grade system was first introduced. Later, it was cut down to 26 grades with 11 wage categories. There were regulations in force nationwide which clearly stipulated which grades were allowed to buy a "hard seat" train ticket, which grade a "soft seat" train ticket, and which grade an airplane ticket. People could tell by your grade alone how much wages you drew and what other benefits you were entitled to. It was as simple as that. Now, there are so many forms of distributing consumption funds that it is quite impossible to enumerate them. Nowadays, the state organ, enterprise, and establishment each has its own wage system; the state-run enterprise, collective enterprise, foreign-invested enterprise, and joint-venture hotel each has its own distribution system. The practice of egalitarian income distribution and having everyone eat from the same big pot has undergone tremendous changes. When the question of wages was under study a few years back, we had to give consideration to the problem of blind competition in raising wages and income imbalances among various trades. Nowadays, it can be said the notion of competition in raising wages is fading out. People have begun to understand and accept the idea of rather huge income differences among different trades in the same region or the same city.

There is also another change—that is, the change in people's values. This will become rather clear if we compare people's ideas and perceptions in the days before reform and opening up to those of today. In the early days of reform and opening up, inlanders shook their heads at the mere mention of Guangdong and special economic zones, complaining that those regions were simply acting recklessly and fooling around. Everywhere you heard complaints that their grain and other agricultural and sideline products went to the special zones, and while they were producing goods, the others were getting rich at their expense. Now, the situation has changed. What you hear today is that Guangdong has developed really quickly, and the rich experience they have accumulated is indeed worth taking seriously. Now people want to develop exchanges and cooperation with Guangdong and other coastal regions. Things have changed, haven't they? They are changes in values. In the early 1980's, people shook their heads at the sight of women comrades wearing bright-colored clothes and high heels, criticizing them for acting like pampered daughters from wealthy families and espousing bourgeois ideas. No woman dared to wear clothes that exposed her shoulders, and those who merely wore bright-colored clothes were frowned upon. At that time, clothes came in two colors—blue or gray. People would not know if they mistook other's jackets for their own after a meeting. Those who wore something better often got criticized at group meetings. A fashion show at that time would have been intolerable. Nowadays, people not only go watch fashion shows, they even wear fashionable clothes in public. Are these not changes in people's values? Things once regarded as unorthodox are now deemed progressive, a sign of development. Things are changing, are they not? Once there was a myriad of coupons that were required to purchase virtually anything. People shopping for the Spring Festival and other holidays needed them to purchase a few ounces of day lily, mushrooms, gourmet powder, pepper powder, and so on and so forth. Coupons were required for purchasing a piece of tofu—grain coupons at that. Whenever people saw a long line they joined it as the most natural thing to do. The first thing was to get into the line, and only then they would try to find out what was at the other end. If people today were again required to queue up for everything, what would happen? They would grumble and the mayor would get blamed. Take prices, for example. Two cents buys a box of matches, a dime or so buys a kilogram of grain or salt—these were once unalterable principles, never to be changed. Now if you changed them, people would understand that such changes were needed to rationalize prices and to promote production. People's views have changed and they are more able to adapt. Today things are different from the situation in 1988, when the country experienced panic buying, to say nothing of the 1970's. Under normal circumstances, people today would not rush to purchase something. Their values and views have changed. We all have this clear feeling: A strong sense of reform is everywhere—east, central, and west. People want

reform, people want progress. We must take note of these facts that represent tremendous change.

These changes are the results of implementing the party's basic line, of upholding the four cardinal principles, and of adhering to the policies of reform and opening up to the outside world within the past 10 years or so on the basis of achievements in construction over the past decades. Without reform and opening up to the outside world, and without delegating more power to reinvigorate the economy, it would not have been possible to arrive at the present-day situation. It is precisely due to reform and opening up to the outside world, as well as to delegating more power for invigorating the economy, that the situation of isolationism, ignorance and backwardness, slow progress in economic development, and long-term shortage of commodities has changed. Just think for a moment: When in the past did we ever talk about having too many things? All the while, people were worried about shortages of this or that. In fact, everything was in short supply, including daily necessities and manufactured goods; sometimes it was even difficult to find a nipple for a baby's feeding bottle. As soon as winter came, people would start worrying about what to do with their ovens and chimneys. When one was on a public errand, it would even be difficult to find an eating place. Was it not difficult to find a place to make your clothes, to get a bus ride, to get a haircut, and to have a bath? In short, everything was difficult. At that time, every Sunday one would have to figure out how many more weeks the meat ration would last, and how one should portion it. The life of the masses of people was extremely hard and miserable, and there were many complaints. You would notice that during the Cultural Revolution, people were singing every day in praise of socialism; do you think they were really convinced in their heart? Did they really like that kind of socialism? Nowadays, you have practically everything you expect to find in terms of food, clothing, and other needs. East Europeans and people of the former Soviet Union were envious of us when they came to our markets and saw such an abundance of commodities. Even developed capitalist countries are astonished to see that China—with a population of 1.1 billion—has achieved such a degree of success. Who does not love such a prosperous and thriving socialist country with a well-to-do people and a powerful state? Is it possible for the people not to support such communism and the people's government that has led the country and its 1.1 billion people to build up the country to such a condition?

I believe this is the very foundation for our country to become prosperous and powerful, and for our people to enjoy a better life and stable society. To achieve stability, a country must develop, must gradually improve the people's livelihood, and therefore must persist in carrying out reform and opening up to the outside world. Of course, reform and opening up to the outside world are not without risks. Nevertheless, without reform, history would not progress, the country would not be prosperous and strong, and in no way could we improve the livelihood of the people. Without reform, there would be no

way out. It is precisely the reform and opening up policy that has instilled vitality and a new lease of life into socialism. Let us ponder: If there were no reform, and without such a tremendous development over these years, would it be possible for us to stand tall and survive a disaster of such magnitude as experienced in the current year? Do the people have such a capacity? Does the country have such a capacity? What we now have is grain. Talking about transparency, I think the "transparency" of grain is the highest of all. On our way, everywhere we see grain stockpiled in the open. Our peasants are well aware of it. They will not panic any more, as the state has an ample supply of grain. This is a basic condition for us to withstand the test, ride out the storm, and make appropriate arrangements for the livelihood of the victims in this year of great disaster. Would all this be possible without reform and opening up to the outside world of the past 10 years? Currently, flood victims are busily engaged in building houses and in production. Noticeably, these are times of peace and prosperity; the people are full of vitality and confidence; they have confidence in the country and in their government. This is the first issue that I have talked about: The situation we are facing.

II. Challenges

It is precisely this situation that has given us new challenges.

First of all, the people are not satisfied with their already improved lives. They are not satisfied with having enough to eat and wear. They expect the party and government to lead them in achieving a comfortable standard of living and modernization. Of course, we hope that the people will not set their demands too high or expect that their demands will be met quickly, divorced from reality. A good standard of living can only be realized gradually along with the development of productive forces. But we must be aware that we are faced with the issue of how to lead the people to advance toward higher goals. We cannot say that it will be enough to have the present model of building socialism with Chinese characteristics. To say so will mean that communist objectives are too low.

The second challenge is the challenge posed by the development of the modern world. We are dazzled to see how fast various countries of the modern world develop and how fast modern technology develops. We must never lock ourselves up and gather together in a small room, thinking that here is the paradise. No one who has gone abroad to take a look is not surprised to see how fast some countries develop and how many challenges they confront. If we fail to take the initiative to strengthen ourselves and to accelerate the pace of our development, it will be difficult for our country to stand towering like a giant in the family of nations of the modern world. If we fail to strengthen ourselves and accelerate our development, we will have no right to speak in international

affairs, and even if we say something, it will carry no weight. This situation demands that we accelerate our development.

The last challenge is one that is faced by state-run commercial undertakings. We are now confronted with various economic sectors, various circulation channels, and various management methods. What shall we do in this situation? Shall we employ administrative measures to wipe them out and return to the old situation of a single-sector economy, or shall we adapt ourselves to the new situation, study the new problems, explore new ways, and seek survival through reform and development through competition? We have to choose between the two. In my opinion, the answer can only be the latter if we proceed from the interests of the country and take into account the future of socialism. To return to the past means putting history behind one's back, means negating reform, means retrogression and backwardness, and means that from a long-term point of view, it will be difficult for our country to survive. Therefore, we can only advance; we cannot stop. Still less should we go backward. The challenges we are facing are real.

III. Our Tasks

In the face of new situations and new challenges, our only way out is to strengthen our confidence, deepen reform, increase our vitality, and meet the challenges. Under the socialist system, we need to make state-run commercial undertakings serve as the main channel of commodity circulation and to play this role well. This point is very important and is decided by the nature of socialism. This is an important factor that ensures national stability and the basic needs of people's lives. We must remain firm in this respect. The ways and methods for playing the role as the main channel should be suitable to the new situation and conducive to advancing our reform. Therefore, we must free ourselves from old conventions, adapt ourselves to the new situation, study the new problems, and explore a new road.

After all, what is a new road? Does it mean wiping out village and town enterprises, wiping out private enterprises, and also wiping out joint ventures, wholly owned enterprises, and cooperative enterprises so that state commerce can control everything and become the sole dealer in everything? This road is impossible. We cannot do this. Under the present circumstance the system—you live a good life, but I am living a better life than you—should be permitted. One should not insist that I live and you die, because this is contrary to the nature of contradictions. Another road is for the state to reduce taxes and allow enterprises to keep a bigger profit share. This road is also impossible. Comrades of the Ministry of Finance told me that state-run cooperative commercial enterprises throughout the country, with 15 million staff members and workers, lost 150 million yuan last year after their profits were offset by losses (including grain and vegetable subsidies). This means each worker sustained a loss of 10 yuan. This figure will be even greater if grain and vegetable subsidies are counted. As

for the road of reducing tax and allowing retention of a bigger share of profits, what can enterprises retain when the work of 15 million staff members and workers brought about not profits but an annual loss of 150 million yuan? Any village or town enterprise, or self-employed household, can make profits. When each of our 15 million staff members and workers had to sustain a 10 yuan loss, where did the profits come from? Even if retaining a bigger share of profits were to be allowed, it could only serve as a cardiotonic, or play a limited role within a short time; it will not solve the fundamental problems. Therefore, the road of reducing taxes and allowing retention of a bigger share of the profits is not feasible. I believe the only way to extricate state-owned cooperative commerce from its predicament is to transform the management mechanisms of enterprises by lifting control and giving them more decisionmaking powers in accordance with the provisions of the "Enterprise Law." In a nutshell, enterprises must be allowed to make their own decisions in management, must be responsible for their own profits and losses, must exercise self-restraint, and must develop themselves. This is the road of reform. It would be difficult to imagine an enterprise having no decisionmaking powers. How can it carry out operations when it is restricted by so many rules and regulations? How can it perform well when it is not allowed to do things on its own but has to follow rules and regulations? The reason for the competitiveness of self-employed households is that they are free to make management decisions on their own. Nevertheless, in doing everything our state-owned commerce has to request approval from higher authorities at each level, or obtain dozens of stamps. Can such a way of doing things yield profits? This is a question involving structure and mechanism. Therefore, no solution can be found if we do not examine problems in the light of structure and mechanism, but constantly try to find ways to ask higher authorities for more funds and tax returns as well as a bigger share of profit. I am not opposed to justified tax reduction and profit retention. However, tax reduction and profit retention can only play a limited role. We must consider problems in the light of structure and mechanism before certain allowances can be made. By so doing, enterprises can become Sunwukong [the character of an almighty monkey in the classic Chinese novel *Journey to the West*] and can leap. Of course, there must be a limit for the leap, such as the Buddha's palm [according to the novel, no matter how far and high the monkey leaps, it always remains on the Buddha's palm]. There must be ways for keeping enterprises in check, which are called economic levers for exercising macro-economic control. The solution should be to encourage enterprises to become market-oriented and give them a free hand in carrying out operations under the state macro-economic control.

The purpose of our reform is to combine economic planning with market regulation, establishing an operational mechanism. The principle is still to "control and decentralize in three areas." Essential matters, wholesaling, and important means of production and subsistence

having a bearing on the national economy and people's livelihood are under state control, while flexibility is allowed in minor matters, retailing, and other materials. There is no need for the state to control and manage all small and big retail outlets. However, in a large or medium-sized city there should be a few fairly up-to-date state-run stores with a great variety of quality products and first-rate service. Even if prices are a little expensive, people are willing to patronize such stores because they have good credit and are reliable. Important commodities having a bearing on the national economy and people's livelihood are of course under state control. Recently a document on enlivening commodity in rural areas was issued. According to the document, individuals are not allowed to handle certain commodities and the wholesaling of some commodities. Important commodities having a bearing on the national economy and people's livelihood are under state control through economic levers. However, the government cannot directly control such commodities and has to make certain allowances for state-owned commercial enterprises to handle the commodities. Take grain, for example. It is impossible for the state to control everything related to grain. Even with all its powers, the grain department cannot manage all kinds of grain and move surplus from one place to where it is needed. The state has certain amounts of grain in reserve and in stock for circulation, in addition to purchasing a certain amount annually. Under this precondition, it really does not matter if control over wholesale or retail is lifted. The state has several back-up measures: first, the grain in stock for circulation; second, the grain in reserve; and third, adjustment of international exchanges through importation and exportation. With these back-up measures, can any big problem crop up? A certain amount of grain transported by specialized households over long distances can help alleviate shortages in various localities and make up deficiencies in our work. At the house of an individual grain trader in Yunnan's Xishuangbanna, I saw a big pile of grain. When asked where the grain came from, he told me the corn was from Henan. According to him, he made between 1 fen [one hundredth of a yuan] to several li [one thousandth of a yuan] for every jin [about 0.6 kg] of grain he transported, depending on circumstances. Sometimes, when grain was about to spoil, he had to sell it at a loss. The smooth circulation of minor grain crops should be attributed to individual traders. This is not something which the government could have achieved on its own. As for the circulation of aquatic products and fruits, individual traders have played an even more helpful role. We should not just look into the aspect of their tax evasion, which is a problem in our work. We should improve our system and complete our rules and regulations, while stepping up the education of individual traders. We should also look into the aspect of their contributions. As I have just said, the mounting difficulties of the past have been greatly alleviated, and this, to a large extent, should be attributed to the supplementary role of individual traders.

In the light of experiences in recent years, I would like to put forward for your discussion some thoughts on the targeted mode for reform of the circulation system. What kind of mode should we set up? Is it possible to gradually establish a circulation network with state-owned commerce as the mainstay, coexisting with diverse economic sectors and circulation channels, and supplementing and competing with each other under separate or joint management? This is to say that some operations are managed separately by state-owned commerce as well as other economic sectors and circulation channels, or jointly by both. In this way they supplement and compete with each other. Take clothing, for instance. I favor competition. Should the previous system have continued, we would be wearing only the uniform color and style Chinese tunic suit today. The colorful clothing the people wear today, especially women's clothes, is the result of competition. If we make people wear the previous monotonous style of clothing, they will not agree. Therefore, while exploring ways for reform, we should study measures for gradually setting up a relatively rational circulation network having primary and secondary channels which compete with each other under state control.

We should take the opportunity of learning from Chongqing's "lifting control in the four aspects" (management, employment, pricing, and distribution of income) to earnestly summarize practical experiences of reform by various localities in recent years. Reform should be started from a small number of retail commercial outlets and gradually promoted to a larger number; from lower to higher levels; and from retail to wholesale businesses. I am convinced that so long as we make a determined effort; have a clear orientation and correct measures; follow the mass line; and persist in the method of practice, recognition, and practice again, we will definitely be able to advance the reform in our state-owned commercial enterprises, and a lively and socialist state-owned commerce with Chinese characteristics will unfold before our eyes in the not too distant future.

Tian Jiyun Inspects Three Gorges 2-9 Mar

OW1003221792 Beijing XINHUA Domestic Service
in Chinese 1117 GMT 10 Mar 92

[By reporter Shi Yongfeng (2457 0516 1496)]

[Text] Wuhan, 10 Mar (XINHUA)—Tian Jiyun, member of the CPC Central Committee Political Bureau and vice premier of the State Council, inspected the Three Gorges on the Changjiang from 2 March to 9 March. He emphasized during the tour: Once it is decided whether to build the Three Gorges Project, we must accelerate the resettlement of displaced inhabitants under the policy of developmental resettlement.

On 2 March, Vice Premier Tian Jiyun, with the responsible persons of the Ministry of Water Resources, the Ministry of Civil Affairs, and other relevant State

Council departments in his entourage, traveled downstream on the Changjiang from Chongqing, Sichuan. Accompanied successively by Sichuan Governor Zhang Haoruo and Hubei Governor Guo Shuyan, he inspected the experimental resettlement zones of the Three Gorges Project in Fuling and Wanxian of Sichuan Province and Badong and Zigui of Hubei Province. He also inspected the site of the proposed dam at Sandouping of Yichang County and visited the Gezhouba Dam Project and the institute for artificial breeding of Chinese sturgeon. During the tour, he was briefed by cadres in various localities and listened to local peasants' opinions. Tian Jiyun said: The Three Gorges Project which attracts worldwide attention has entered the stage of final decision. The cadres at all levels and the people in areas along the river are displaying a great zeal and active support for the project. Its construction will be a great undertaking of the contemporary generations to benefit future generations, and will be of great significance to accelerating China's socialist modernization.

Tian Jiyun focused his inspection on the resettlement of the displaced inhabitants. He pointed out: Once it is decided whether to build the Three Gorges Project, the first problem to be solved will be the resettlement of the displaced inhabitants. The experimental resettlement projects in the last few years show that the resettlement of displaced inhabitants will be a very arduous task, but there are many ways to go about it. It is better for the resettlement to start sooner and to progress as fast as possible. The longer it is delayed, the more we will land ourselves in a passive position. He pointed out: In resettling the displaced inhabitants, we should pursue two policies—the policy of developmental resettlement and the policy of integrating agriculture, industry and commerce, with agriculture as the foundation.

During the inspection tour, Tian Jiyun repeatedly emphasized that in resettling the displaced inhabitants, we must adhere to a principle of government assistance, preferential policy, counterpart support, and self-reliance. We must take full advantage of the abundant resources in the Three Gorges region, consider local realities, and adopt various ways to resettle the displaced inhabitants into various trades and professions through various channels. He proposed the following concrete resettlement measures: 1) Efforts should be made to improve middle- and low-yield land, and to turn mountain slopes into terrace fields, dry land into paddies, and low-yield land into high-yield land. 2) Efforts should be made to exploit agricultural resources by reclaiming waste land, barren mountain slopes, waste beaches and waste water areas. 3) Great efforts should be made to develop animal husbandry and aquaculture. 4) Rural areas should practice crop cultivation, livestock breeding and processing industry at the same time, and do intensive processing of agricultural and animal husbandry products to create high added value. 5) Great efforts should be made to develop secondary and tertiary industries, including commerce, transport, building industry, and tourism. 6) It is necessary to plan some key construction projects for the resettlement zones, and enterprises

should take the relocation opportunity to carry out technological innovations, upgrade their products, increase outputs, and hire more displaced people. 7) Relevant State Council departments and coastal regions should provide support to the counties where the resettlement task is heavy. 8) The reservoir area should strive to export labor service. 9) It is necessary to do a good job in water and soil conservation and in building shelter forests. 10) Great efforts should be made to train scientific and technological personnel in the reservoir area.

Tian Jiyun particularly emphasized the necessity to rely on correct policy to promote the resettlement of the displaced inhabitants. He said: Funds will be appropriated for the resettlement of the displaced people. In a certain sense, however, to formulate a policy that can promote a developmental resettlement is even more important than funding. We should practice a preferential policy to make the resettlement fund yield greater results. We should not only provide the people in the reservoir area with the means of subsistence; we should also help them become better off soon.

Accompanying Vice Premier Tian on the inspection tour were Yang Zhenhuai, minister of water resources; An Chengxin, deputy secretary general of the State Council; Li Boning, deputy head of the State Council Leading Group for the Three Gorges Project; Yang Yongzhe, deputy director of the State Council Research Office; Yang Zhong, deputy head of the State Council Leading Group for Helping Poor Regions; and Chen Hong, vice minister of civil affairs.

Zhu Rongji Presides at 'Debt Chains' Meeting

OW1003081892 Beijing XINHUA Domestic Service in Chinese 1127 GMT 9 Mar 92

[By RENMIN RIBAO reporter Shi Mingshen (2457 2494 1957) and XINHUA reporter Xu Yaozhong (1776 5069 0022): "China Scores Great Achievements in Clearing 'Debt Chains' Last Year, and Work Continues To Develop; Third National Working Conference on Clearing 'Debt Chains' Opens in Beijing"]

[Text] Beijing, 9 Mar (XINHUA)—Reporters learned from the third national working conference on clearing "debt chains," which opened today, that the overall requirements for this year's endeavor to clear "debt chains" are combining efforts to clear debt chains with those to prevent their occurrence. These efforts focus attention on preventing the occurrence of debt chains, continuing to plug loopholes by screening investments in fixed assets, addressing the problems of overstocked finished products and losses suffered by enterprises with a view to bringing about a change in the operational mechanism of enterprises, increasing their economic returns, further easing the pressure from "debt chains," and, finally, achieving the objective of successfully running large and medium-sized state enterprises.

The specific targets set for this year's work include: clearing between 80 and 100 billion yuan's worth of

debt chains, scaling down 10 billion yuan's worth of capital used by finished products, making the amount of money receivable from and advanced for goods shipped at the end of 1992 slightly less than or equal to the amount at the beginning of 1992, and reducing the spread of losses incurred in state-run industrial enterprises by five percent and reducing their total loss by more than 10 percent.

Zhou Zhengqing, deputy head of the State Council's Leading Group for Clearing "Debt Chains," said: China cleared a total of 136 billion yuan worth of debt defaults in 1991, achieving the marked result of clearing 41 yuan worth of default with the input of 1 yuan, exceeding the target of 100 billion yuan originally set for the year. As a result, the trend of "debt chains," which had seen a continuous rise since 1990, was held in check and the inconveniences and difficulties they caused to enterprises' production and business operations were eased to a great extent. According to Industrial and Commercial Bank of China statistics covering 40,000 state-run industrial enterprises, the capital used by finished products, goods in transit, and the portion of money receivable from and advanced for business transactions at the end of December 1991 showed a decrease of 29.6 billion yuan from the amount of capital at the end of August, which was the highest in two years. Among them, the capital used by finished products showed a decrease of 25.3 billion yuan and the capital used by goods in transit and the portion of money receivable from and advanced for business transactions showed a decrease of 4.3 billion yuan. According to statistics from the People's Bank of China, the amount of payments in arrears in the balance accounts for collection and acceptance at the end of last December showed a decrease of 27.3 billion yuan from the amount at the end of August. In proportion with this, turnover of enterprises' circulating capital accelerated. China saved 22.9 billion yuan from setting a limit on production and reducing stocks by the end of 1991, exceeding the target of 20 billion yuan.

Zhou Zhengqing pointed out: We achieved better results than expected in our work to clear debt chains last year. Latent factors that give rise to "debt chains" still exist in our economic life at present. He said that in our endeavor to clear "debt chains," it is necessary for us to emphasize successfully handling the following tasks this year:

We shall continue to clear major portions of defaults in connection with fixed-asset investment projects—namely, payments in arrears in connection with the large and medium-sized projects of capital construction and the technical transformation completed and put into operation by the state by the end of 1991, along with payments in arrears that were incurred from project construction and should have been but were not settled in 1991. The state will no longer organize the clearance of debt defaults incurred from project construction after 1 January this year.

We shall effectively prevent the occurrence of new loopholes in our investments in fixed assets. Arrangements for the overall scale of investments in fixed assets must be made on the basis of a reliable guarantee backed by sufficient funds. We must not exceed the amount of funds at our disposal in making such arrangements. We must take into account the factors of price and foreign exchange rate fluctuation as well as interest rates during the construction period, plus the basic circulating capital needed after projects are put into operation in preparing our budgetary estimate. Beginning from this year, strict assessments will be made on all payments in arrears in connection with fixed-asset investment projects. First of all, if there is any debt default, it must be paid in full. Otherwise, all projects carried out by the central government and all projects carried out by local governments will not be allowed to proceed with new construction in the next year. The departments of (corporations run by) the central government responsible for the trade pertinent to the projects under construction will be considered a unit for the central projects, while provinces (regions and municipalities) will be considered units for the local projects.

We shall continue to pay close attention to doing a good job in setting limits on production, in reducing stocks, in promoting sales, and in improving the measure of "linking reduction of stocks to bank loan grants." Implementation of this measure will be expanded to cover all state-run enterprises for industrial production that have opened their accounts at national banks. During the period of implementation of this measure, no enterprise is allowed to move its account from one bank to another without the approval of the People's Bank of China. The policy of linking bank loan grants to technical transformation will be made good to the departments and areas that last year fulfilled the tasks of setting limits on production and reducing stocks. It is necessary for us to persist in carrying out the policy of granting more bank loans to those who have reduced more stocks, fewer bank loans to those who have reduced less stocks, and no bank loans to those who have failed to reduce stocks.

We shall conscientiously carry out the measure designed to help deficit-ridden enterprises increase profits. It is necessary for us to restrict supply of the elements of production to poorly managed enterprises that have shown unsatisfactory business operations and have failed to rid themselves of deficits on schedule. They are not allowed to raise wages for, or give money awards or subsidies in kind to, staff and workers in any form or by any means. As regards enterprises that cannot rid themselves of deficits, it is necessary for us to resolutely and prudently close them down, or suspend their operation, have them merged with other enterprises, or switch them to the manufacture of other products. As regards enterprises that are unable to fulfill the task of eliminating their deficits, banks must keep a close watch on loans to them. Meanwhile, the financial department has already drawn up a series of measures to address the problems of

NATIONAL AFFAIRS

overdue financial allocation, subsidy and reimbursement, as well as enterprises buying or selling on credit. They must be implemented in a down-to-earth manner.

We shall focus attention on enterprises and will concentrate efforts on addressing the problem of circulating capital being behind in payment. As the problem exists mainly in enterprises, we cannot simply depend in our endeavor on the unified measure adopted by the state to clear and prevent debt chains or to extricate themselves from the encumbrances of "chains of debt default." Our efforts to address the problem of circulating capital being behind in payment depend mainly on the measures designed to enable enterprises to change their operational mechanism, readjust their mix of products, open up new markets, and increase their economic returns. The state will no longer organize unified measures to address the problem of circulating capital being behind in payment which occurs after 1 January 1992.

It is necessary for us to further rectify the order of trade of commodities and strictly enforce the discipline for settling accounts. Three steps will be taken to achieve this objective. First, the activities of "living up to the terms of a contract and keeping one's promise" must be unfolded in depth; second, control over credit and trustworthiness in business activities must be strengthened; and third, a general examination of the discipline for settling accounts will be conducted to vigorously address the main problems in connection with settling accounts existing in key areas. After conducting examination and assessment, it is necessary to sternly deal with the typical cases of violation of the terms of a contract and the failure to enforce discipline for settling accounts in public. Unified licenses for opening a bank account will be examined and issued in a bid to further rectify the situation of enterprises having more than one account under several titles established at banks.

After Zhou Zhengqing's speech, Zhao Weichen, deputy director of the Production Office of the State Council; Yao Zhenyan, vice minister of the State Planning Commission; and Zhang Youcai, vice minister of the Ministry of Finance, delivered special-topic reports, one after another, on the issues of setting a limit on production, reducing stocks, promoting sales, helping deficit-ridden enterprises increase profits, further doing a good job of clearing and preventing debt defaults incurred in fixed assets investment projects, taking stock of inventories, and solving the problems of overdue financial allocation, subsidy, and reimbursement. Zhu Rongji, vice premier of the State Council, presided over today's meeting.

State Planning Commission Improves Work Style

OW1003105092 Beijing XINHUA Domestic Service
in Chinese 0357 GMT 10 Mar 91

[Article by XINHUA reporter Wu Shishen (0702 1102 3234): "The State Planning Commission's New Work Style"—XINHUA headline]

[Text] Beijing (10 Mar (XINHUA) A)— Things have changed. It is much more convenient now. People who do business at the State Planning Commission today feel this way.

In the neatly kept lobby of the building housing the State Planning Commission, there is a floor map showing where each department or bureau is located, a telephone booth, an information desk, and two rows of chairs for people to sit and rest. These newly installed facilities bring a fresh and friendly touch to the place. The big, eye-catching characters posted by the telephone say it all: "At Your Service and for Your Convenience."

As a top-level macromanagement agency of the country, the State Planning Commission receives about 1,000 people each day from other government branches or other parts of the country, and is one of the busiest state organs. In a bid to provide good service to these visitors and save them the trouble of finding their way or locating a telephone to make calls, the State Planning Commission decided last year to make "serving the grass roots and offering convenience to visitors" an important part of its effort to improve its work style. The changes made in the lobby are the first step toward this goal.

This year the State Planning Commission has taken on a more vigorous approach and is promoting a work style of practicality. In the past, people who came from other localities or government branches to do business here had to go through various departments and bureaus, and the procedures were often very complicated, tedious, and inconvenient. Now the commission's leadership will take charge of any matter that involves several departments or bureaus, with the participation of relevant departments and bureaus. Together they will work to deal with such matters, thereby improving efficiency. Improvement is also being made in the handling of documents; the phenomenon of passing the buck has been greatly reduced. Meanwhile, the commission has improved the handling of letters and visits from the public. In addition to assigning people to receive visitors and answer letters, the commission also compiles good opinions and suggestions into a brief and circulates it among the leadership and relevant units for their reference, consideration, or handling. After the Spring Festival, various departments and bureaus got together to discuss ways to further improve their work style. A consensus was reached: Their attitude must be warm and attentive, and they must offer good service, regardless of whether they can solve the problems or satisfy the demands of those comrades who visit the commission. Currently, the State Planning Commission, from the leadership to the rank and file, is working hard to present a new work style of "unity, practicality, creativity, high efficiency, modesty, service, and honesty" with real action.

CHINA DAILY Evaluates Contract System

HK1003003392 Beijing CHINA DAILY in English
10 Mar 92 p 4

[By Chen Xiao "Good and Bad in Contract System"]

[Text] Since it was introduced into State-owned enterprises five years ago, the contract responsibility system has been largely playing a positive role in the development of China's economy.

Although it is far from being a perfect remedy for China's economic problems, there is general agreement among the country's economists that the system is the most feasible one available at the moment to improve the performance of State-owned enterprises.

The consensus has also been reflected in a recent State Council decision which reaffirms that the system will remain in place for at least another four years, until 1995, when the second round of contracts, which began in the first half of last year, ends.

"However, the authorities this time have adopted a series of new measures to amend flaws the system displayed in the first round of contracts, which have drawn grave social concern," said Liu Chunsheng, in the Production Office of the State Council, which has given the system strong backing.

One of the measures is a more articulate stipulation ensuring enterprise managers get genuine independent decision-making power and assume sole responsibility for their own companies' losses and profits.

This is a further step towards a market economy.

Another one is the provision which requires enterprises to reserve part of their profits for upgrading technology.

These are aimed at correcting contractors' lack of foresight and forcing them to improve efficiency.

There are also regulations on the issue of bonuses, targeting the present irrational profit-distributing pattern, which tilts too much to individuals.

Understandably these regulations have caused some worries among many enterprise directors, who were reluctant when the time came to sign the second round of contracts.

Nevertheless, the primary concerns that shook the directors' confidence this time was their "gloomy anticipation of the market and the macro-economic environment, such as price fluctuations and possible changes in the State tax policy," said Du Haiyan, an economist with the Institute of Economics under the Chinese Academy of Social Sciences.

Decentralizing central government's economic management power and eventually making individual enterprises orient their production in response to market

changes has remained a focal point of the urban reforms which were launched in 1984.

Deriving nourishment from the success of the rural reform, characterized by the adoption of the household contract responsibility system, the State Council introduced a similar practice into the industrial sector in 1987.

Under the system, directors and employees of State-owned enterprises contract certain production tasks from the State. They are responsible for enterprises' daily management and can keep part of their profits after they pay taxes and fulfill their contracted profit quotas. If a contracted task is not fulfilled, losses must be made up from the enterprises' own funds.

"The central government hoped that the system could guarantee revenue income of the State," said Lu Pu, an economist with the State Commission for Restructuring the Economy.

Such a system won widespread welcome among enterprises directors and employees alike.

Employees loved the system because, for the first time, they saw a linkage between their pay and the economic results of their enterprises. The more they produced, the higher pay they could get.

At the same time, directors were also happy since they could keep more economic returns for their own enterprises than they used to.

"The system began to chip at the 'iron rice bowl' and arouse employees' enthusiasm," said Lu Pu.

The system achieved instant success by helping the country brake the accelerating recession in 1987 and by increasing the State revenue. That boosted the morale of the whole country.

A few experts, for instance Yang Peixin, an economist with the Research Centre under the State Council, even asserted that the contract system was "the best mechanism for China's industry," rather than an interim measure.

However, towards the end of the first round of contracts in 1990, the defects of the system became more and more apparent and voices dissenting from Yang's view were getting louder and louder.

"The system is not so significant as some people said it would be," noted Ding Xuedong, with the Ministry of Finance. "The role of the system is limited by the economic climate, or to be exact, market supply and demand."

Though an improvement on central planning, the contract system is still not flexible enough to induce enterprises to quickly adjust their production to the state of the market.

Secondly, fewer and fewer enterprises had been able to fulfill contracts since 1988, according to an investigation conducted in 20 provinces by Du Haiyan. In Beijing, for instance, only 60.3 percent of contract enterprises met quotas in 1990 compared with 95 percent in 1988.

At the same time, profit and tax turnover to the State was decreasing, Ding said. In 1986 (before the introduction of the contract system), 45 percent of profits in State-owned enterprises went to the government; the figure only stood at 15.3 percent in 1990.

Critics also pointed to the fact that most enterprises increased their employees' wages to an irrationally large proportion despite their poor economic returns.

Du's report revealed that the average annual growth rate of wages was 81 percent while output value and profit and tax turnover to the State only rose 22.2 and 22.4 percent respectively in Zhejiang Province during the first round of contracts.

These, Du said, are the system's fatal weaknesses.

Doubts have snowballed since then.

Why did the industrial contract system fail to achieve the successes that the rural one did?

"The two are different in nature," Du explained.

What farmers contract with the State is land, a basic element of production. Farmers are the owners of the means of production and the outputs. The fate of households is linked to production.

But in urban areas, enterprises only contract output with the State. Although the government was separated from day-to-day management, it was still not clear who held the property rights, and who was responsible for any increase in their value.

In the mind of many economists, the share-holding system may provide an alternative to the contract system in the future. However, most of them agree that the conditions for its introduction do not yet exist and for the moment the system has to remain at a trial stage in cities such as Shanghai and Shenzhen.

How to further reform the enterprise management system will remain a major challenge to the country in the years to come.

'Roundup' Sees 'New Trends' in Rural Industry

OW1003103692 Beijing XINHUA in English
0750 GMT 10 Mar 92

["Roundup: New Trends in China's Rural Industry"—XINHUA headline]

[Text] Beijing, March 10 (XINHUA)—Along with the development of China's rural industry and deepening of the on-going reforms, enterprises in the countryside have begun to pay more attention to science and technology as well as world markets.

Around Beijing alone, township and village-run enterprises have introduced 25,000 scientists and technicians from outside in the past two years, while each year 15,000 local rural youngsters who have graduated from colleges return to work in rural firms.

In the past few years more and more rural firms have engaged in producing for export and introducing overseas investment. Last year, rural industry in Guangdong, Jiangsu, Zhejiang, Liaoning and Shandong provinces exported more than five billion U.S. dollars worth of goods.

Rural firms always used to rely on local foreign trade companies to export what they produced, but now a great number of these firms have been exporting their products in various forms and through many channels.

At present China's rural enterprises have changed from simply exporting products to exporting products, equipment and technologies. Moreover, some of these firms have invested overseas.

According to official sources, as of now, almost 20 rural Chinese enterprises have established branches in foreign countries and regions.

The rapid development of the country's rural industry started in the late 1970s, when China began to carry out its policies of reform and opening to the rest of the world.

Since rural industry has been playing an increasing role in the country's economic development, the new trends in the rural enterprises will also affect the development of the country's economy as a whole.

East Region

Wu Guanzheng Urges Efforts in Family Planning

HK1103081892 Nanchang Jiangxi People's Radio Network in Mandarin 1100 GMT 5 Mar 92

[Text] Jiangxi scored marked results in promoting family planning in 1991, comprehensively fulfilling the state plan for controlling population growth and the relevant targets set by the provincial government.

Jiangxi registered a population growth rate of 2.12 percent last year, down 0.247 percent from the state plan. The natural population growth rate was 1.407 percent, down 0.163 percent from the state plan.

The provincial government yesterday evening called a meeting to find out how the 1991 population plan was carried out and to set the 1992 tasks for family planning. The meeting made public the above achievements and commended 11 prefectures and cities successful in controlling the population growth rate as planned.

Provincial leaders Wu Guanzheng, Ma Shichang, Shu Shengyou, et al attended.

Governor Wu Guanzheng gave a speech at the meeting. He said: Though Jiangxi has scored remarkable achievements in family planning, the population situation remains desperate. We must place a very firm grip on family planning and be mentally prepared to wage a long, difficult struggle. To blaze a new trail to enable Jiangxi's family planning campaign to scale new heights, we must first strengthen leadership over family planning. Party committees and governments at all levels must continue to place family planning in an important position and incorporate the population plan into the overall plan for economic development and social progress. Second, put the stress on the grass roots in promoting family planning, integrate the work with our efforts to specially support poor areas, and vigorously improve social welfare services and social security in rural areas to free one-child and two-girl households from all worries. Third, exercise birth control according to the law, conscientiously carry out Jiangxi's regulations on family planning, and make education in the legal system with respect to family planning part of the Second Five-Year Plan for making legal knowledge common among people throughout the province. Four, solve practical difficulties in the family planning campaign. All localities must try their best to provide human and material resources necessary for family planning work.

Yesterday evening, administrative commissioners and mayors from 11 prefectures and cities also signed a letter of responsibility for fulfilling targets set in the 1992 population plan in Governor Wu Guanzheng's presence.

Huang Ju Holds News Forum on Pudong Development

OW1003151892 Shanghai People's Radio Network in Mandarin 1000 GMT 10 Mar 92

[From the "News and Weather" program]

[Text] The municipal government's press office held a news briefing at the Yinhe Guesthouse this afternoon. Mayor Huang Ju delivered an important speech on future plans for developing and opening up the new Pudong district and on Shanghai's future development.

The main topics of his speech dealt with the new directives and demands set by new and old leaders at the central level regarding the drive to develop and open up the new Pudong district, fresh progress made in this respect during the past year, relevant new policies and initiatives devised by the central authorities, new measures developed by the municipal government in this regard, and new blueprints and targets to be carried out in this respect over the next three years.

Over 400 people attended today's news briefing. They included Vice Mayors Gu Chuanxun, Xie Lijuan, and Zhao Qizheng; Wang Daohan and (Li Chuwen), advisers to the municipal government; and Chinese and foreign reporters.

At the briefing, Mayor Huang Ju also answered questions posed by Chinese and foreign reporters.

Silent on Writer's Travel Ban

HK1103014692 Hong Kong SOUTH CHINA MORNING POST in English 11 Mar 92 p 13

[By John Kohut in Shanghai]

[Text] Shanghai Mayor Mr Huang Ju yesterday refused to explain why city authorities were preventing writer Bai Hua from going abroad, even though the Chinese Government has made a commitment to grant freedom of exit to its citizens.

Following U.S. Secretary of State Mr James Bakers' visit to China last November, the Government agreed to allow people with no criminal proceedings pending to apply to leave China.

Bai, who offended the country's hardline leaders by expressing his political views during the 1989 anti-government riots, has repeatedly asked to take up invitations to visit the United States, Japan, France and Germany.

But so far the authorities have failed to respond to his application, even though Bai faces no criminal charges.

At a press conference yesterday, Mr Huang was asked why Bai had not been allowed to go abroad.

Mr Huang confirmed it was government policy to allow citizens to apply for exit permits, and that exchanges were encouraged. But he declined to comment on Bai's case.

Bai has not been able to publish in China over the past three years. However since 1989 he has published a collection of theatre scripts and a novel abroad.

Another dissident in a similar position is Zhu Xingqing, deputy editor of the former independent *WORLD ECONOMIC HERALD*, which was closed down by the Government in May 1989.

Zhu was dismissed from his latest post at the Academy of Social Sciences in Shanghai for having attended a government-organized meeting in Sichuan last year without seeking permission.

He wants to go to Australia to do research, but Shanghai authorities will not grant him permission to leave China, according to Chinese sources.

Shanghai Commentary Views Spiritual Civilization

*OW1003152392 Shanghai People's Radio Network
in Mandarin 2300 GMT 9 Mar 92*

[Station commentary from the "Morning News" program: "Provide Spiritual Motive Force for Deepening Reform and Opening Up"]

[Text] The Shanghai municipal mobilization meeting on building socialist spiritual civilization opened ceremoniously yesterday [9 March]. The meeting is not only a mobilization rally to promote the building of spiritual civilization, but also a meeting to speed up the pace of reform and opening up to the outside world and to concentrate our efforts to promote economic construction by taking advantage of the present opportune time. In short, it was a mobilization meeting to fully implement the party's basic line. We wish to extend our warmest greetings to the meeting.

The current mobilization meeting was held amid a cheering situation of further deepening reform and opening up in Shanghai. The new trend of reform and opening up in the 1990's has pushed Shanghai to the frontline of reform and opening up.

Not long ago, when inspecting various work in Shanghai, central leading comrades and proletarian revolutionaries of the older generation repeatedly encouraged cadres at various levels in Shanghai to further liberate their thinking, and be bolder and proceed in a faster pace on the basis of new endeavors in promoting reform and opening up to the outside world. They also hoped that Shanghai could resume and develop its role as a world financial and trade center within a short period.

Under such circumstances, the mobilization of people of the entire municipality to strengthen the building of socialist spiritual civilization and provide spiritual

motive force, intellectual support, and ideological guarantee for deepening reform and opening up has a profound strategic meaning and an important immediate significance.

We must see that the present situation of building spiritual civilization in Shanghai still cannot quite keep up with the developing circumstances and tasks. Therefore, we must further grasp the building of socialist spiritual civilization and do it in a better way. The more the changes in the international situation, the more we must maintain a sober mind. The more we promote reform and opening up, the more we must strengthen the building of spiritual civilization, heighten our national spirit, and advocate fine social habits and moral customs.

To sum up in a few words, in carrying out reform and opening up to the outside world, it is essential to maintain political and social stability. Stability is the main thing. We should take the whole situation into consideration and maintain stability. Disorder will weaken us, while order will help us prosper. Reform and opening up as well as economic construction must all fully rely on the masses. Therefore, we should mobilize the masses to take part in the work.

In building a socialist spiritual civilization, we must fully implement the party's basic line and serve the one center and two basic points. We must also fully rely on the masses and mobilize them to take part in the work. We should truly grasp the work and achieve actual results. The leaders and leading groups should attach importance to the work, grasp typical cases and trends, and promote socialist spiritual civilization down to the grass-roots level.

We hope that people of the whole municipality would all learn from the red banner collectives and advanced pacesetters commended by the mobilization meeting. Their good examples can create immense power. We also hope that after the meeting leading cadres at various levels would turn the spirit of the mobilization meeting into their concrete plans for building socialist spiritual civilization. We should, through grasping the building of spiritual civilization, promote economic construction; reform and opening up to the outside world; and the development, opening up, and construction of Pudong. The party should foster a fine style to promote good social customs, and cadres should set good examples in leading the masses. We should whip up the enthusiasm of the 13 million people in Shanghai for socialism; should turn Shanghai into a civilized, rich, strong, and modernized international municipality; and should make still greater contributions to building a powerful and prosperous motherland.

Central-South Region

Commentator's Article on Expansion of Opening Up

HK1003122792 Guangzhou NANFANG RIBAO
in Chinese 8 Mar 92 p 1

["Commentator's article: "Dare To Take Lead"]

[Text] A working conference was recently convened by the provincial party committee at which the important decision was made to expand further the opening up to the outside world for the purpose of accelerating the pace of socialist modernization in our province, bringing about an early situation of being relatively comfortable and achieving a higher objective within 20 years.

Expanding further the opening up to the outside world—this is not only a demand imposed on us by the situation and a rare opportunity, but also a vital move in the endeavor to speed up the pace of economic growth in our province by taking into consideration the realities in Guangdong and giving full play to its unique advantages. We have to seize this firmly, carry out bold undertakings, and make bigger and firmer strides in expanding opening up to the outside world.

To make new, bold strides forward, it is necessary to have the courage to be the first in everything, strengthen the awareness of opening up, and emancipate the mind further. All the achievements and advances of our province in the reform and opening up carried out in the past decade may be attributed to the emancipation of the mind, seeking truth from facts, and realistic efforts and work. If we say that there are certain aspects which remain flawed and less than ideal, this is linked to the lack of effort to emancipate the mind more in these aspects. In the ultimate analysis, this is due to some people's fear about having too many capitalist things and of taking the capitalist road. Today, we should justly and forcefully assert: Poverty is not socialism. As we are engaged in socialism with Chinese characteristics, we can borrow certain methods of capitalist countries and apply them in seeking to achieve the goal of common prosperity. We should not waste valuable time arguing the question of whether it is a case of being surnamed "capitalism" or "socialism." The criterion for this question should be found primarily in practice: Whether or not it is beneficial to the development of the productive forces of socialism, the boosting of the comprehensive national strength of socialist states, and the improvement of the people's living standards. Today, as we have gained further understanding and mastery of this criterion, we can emancipate the mind more, be bolder, and make quicker strides in opening up further to the outside world.

Naturally, people's understanding will vary at different stages and in different regions as practical undertakings are carried out. Looking at the current situation in our province, an excellent structure and good foundation in the opening up to the outside world have been put in place, while economic might has also been boosted

considerably following more than a decade of reform and opening up. But growth remains uneven, with different localities not keeping pace with one another and progressing at different rates. Localities with poorer foundations and conditions are easily intimidated and overcome by efforts to push economic construction to a new stage, particularly the need for new breakthroughs in broadening the opening up. Meanwhile, localities with good foundations and superior conditions tend to develop complacency and smugness easily. These two mental states can hamper and restrict our actions. Only by conscientiously overcoming these mental obstacles and emancipating the mind further can we rouse ourselves to dare to take the lead and carry out resolute strides forward in broadening the opening up.

Daring to take the lead requires an audacious spirit to charge forward. And this audacious spirit is also the mental attitude needed to understand and transform the world. Daring to charge forward means daring to experiment, to carry out undertakings, to take risks, and to seize the chance to open up a new situation after having judged things accurately. Today, our growing experiences in the building of socialism with Chinese characteristics are accumulated from practical undertakings. Therefore, without a little of the spirit of charging forward and taking "risks," it will not be possible to open up a good and new road nor to accomplish new endeavors.

In carrying out socialist reform and opening up, we are advancing along an unprecedented path. It is thus necessary to foster a spirit of daring to charge forward and to have the courage to explore and carry out undertakings. It was so for rural reforms and should be the same for urban reforms. The courage to charge ahead and to take risks, to learn new things, to sum up new experiences, and to open up a new road is even more necessary particularly in opening up to the outside world because this involves contacts, exchanges, or conflicts between two kinds of systems and ideologies.

Naturally, daring to charge ahead is not the same as recklessness, hastiness, and mindlessness. What we mean by daring to charge ahead is the courage to explore and take new, undiscovered paths by insisting on being guided by the Marxist theory of cognition and seeking truth from facts. For the sake of the people's interests, it is necessary to have the courage to take risks as well as to make scientific and prudent decisions so as to integrate the emancipation of the mind with the seeking of truth from facts, strive for success and avoid any mistakes. But since it involves experimentation, it is not possible to avoid setbacks and mistakes completely. In case of mistakes, prompt correction is enough. Since nobody is perfect, how can one avoid committing mistakes? And who would dare to claim 100 percent certainty! To dare to take the lead, it is also necessary to display the full effects of existing policies. Our province is one which implements special policies and flexible measures. In opening up further to the outside world, we have to give full play to the advantages and force of the policies. In

particular, the special economic zones, open economic and technological zones, open coastal cities, and new and high-tech open development zones should apply existing policies fully, flexibly, and effectively.

The key to a full, flexible, and effective application of policies lies in being familiar with and studying the policies, absorbing their spirit, and creatively implementing them through close integration with local realities. Policies which should and can be implemented should be implemented resolutely. At present, in line with the demand for a further expansion of the opening up to the outside world, all regions and departments should clear up areas with still unclear regulations or where stipulated regulations are inconsistent with the spirit of further opening up to the outside world. They should make the necessary corrections and amendments based on the demand for the relaxation of controls. By doing so, they will then have more freedom to accomplish their tasks more effectively.

Calls for 'Sense of Urgency'

*HK1003131492 Guangzhou NANFANG RIBAO
in Chinese 5 Mar 92 p 1*

[Commentator's article: "We Must Have Sense of Urgency"]

[Text] The recent provincial party committee work conference set an even higher goal for the people of the whole province to work toward, that is, in the final 10 years of this century and the first 10 years of the next, to carry out reform and opening up more boldly, seize favorable opportunities, speed up Guangdong's economic growth, attain a relatively well-off level ahead of schedule, strive to catch up with semideveloped countries in economic development, and upgrade Guangdong's economy to an even higher plane. This goal is inspiring, yet it also gives us a heavier load. For this reason, we must have a sense of urgency, rouse ourselves, and take great pains to do practical things.

It is not an easy job for Guangdong to catch up with semideveloped countries in economic development within a relatively short period. Since the Third Plenary Session of the 11th CPC Central Committee, our province has been adhering to the party's basic line, paying consistent, close attention to economic construction as the spotlighted aspect of the work, conducting bold comprehensive experiments on the reform and opening up, making full and flexible use of various preferential policies and flexible measures offered by the central authorities, and making achievements in economic construction that have caught worldwide attention. From 1978 to 1991, the average annual growth rates of gross social product, gross domestic product, provincial income, and total industrial and agricultural output value were respectively 15.1, 12.4, 11.6, and 15.8 percent; there was a marked improvement in the people's living standards; and the first-step strategic goal of modernization was accomplished ahead of schedule. All

this has laid a solid foundation for catching up with semideveloped countries. However, we must be soberly aware that the achievements we have made still lag far behind the central authorities' requirements and expectations of us and fall considerably short of our goals. Moreover, as far as the current situation is concerned, economic development is highly unbalanced in various localities of our province: The special economic zones and the Zhu Jiang Delta have fine conditions, started early, and are developing rapidly, so much so that they compare favorably with some burgeoning industrial countries in Asia; yet the vast mountainous areas are restricted by their natural geographical conditions and the pace of their development is not measuring up to expectations. Therefore, in terms of the overall level of economic development, there remains a considerable discrepancy between our province and semideveloped countries. We should have confidence in catching up with and overtaking them on the one hand and be aware of the arduousness of this task on the other, so that we can carry out our great cause with a strong sense of urgency.

Practice in the 1980's proves that opening up to the outside world is Guangdong's unique advantage in its economic development and where its tremendous potential lies. For Guangdong's economy to develop rapidly and efficiently, it is imperative to hold fast to the expansion of the opening up process, upgrade its degree and level, take an active part in international competition, and subsequently push forward scientific and technological advancement and promote the development of commodity economy. So far, a fine pattern of opening up has taken shape in our province. We have built a sound foundation for attracting foreign investment, accumulated some experience, and trained a batch of skilled persons. With the golden opportunity, geographic advantages, and competent personnel, Guangdong has much to look forward to in expanding the opening up. Nevertheless, we must also be soberly aware that the tendencies toward regional grouping and global integration now emerging in the world economy are intensifying the economic competition between countries. Developed nations are stepping up their industrial restructuring, speeding up the development of high-tech industries, and transforming traditional industries with high and new technologies in a bid to occupy the vantage point in economic competition in the 21st century. Developing countries are also vying with each other in introducing preferential policies in their respective opening up processes. Some of China's neighbors are becoming stronger and stronger in competing with us in opening up, attracting foreign investment, and introducing advanced technologies from abroad. Domestically, with the expansion of the areas opened to the outside world in our country, the policy-stipulated advantages exclusively enjoyed by Guangdong are dwindling. The fact that latecomers are surpassing the old-timers is pressuring us as well as being gratifying. If we do not have a strong sense of urgency, but feel complacent over existing achievements and fail to produce new methods or new

thinking for opening up, our advantages will be smothered and we will find it hard to maintain our status as the forerunner in the country and even harder to score successes in the intense international competition. It would be a mistake if we dared not step forward when we are supposed to blaze new trails boldly and make big strides forward. The economic structuring reform is a powerful motive force of Guangdong's economic development. As the file leader [pai tou bing 2226 7333 0365] of the reform, we have, over the past dozen years, adhered to the market orientation of the reform, conducted a series of bold exploratory reforms centering closely round the establishment of a new system of socialist planned commodity economy and a new operational mechanism that integrates planned economy with market regulation, and have gained successful experience in promoting development through reform and promoting stability through development. However, we must be aware that our reform is still taking place in a period when the new and the old systems are coexisting. One should not be content with things as they are in the reform, as marking time means stepping backward. We must quicken the pace of reform and accomplish the transfer from the old system to the new one as soon as possible. With the task of improvement and rectification in our country basically completed, the national economy has entered a normal stage of growth, total supply and total demand are basically in balance, inflation has been kept in check, the market is prosperous, the people's minds at ease, and a fine environment for deepening the reform has emerged. We must have a strong sense of urgency, seize this golden opportunity before it slips away, further emancipate our minds, be bolder, quicken our pace, have the courage to blaze trails and take risks, make up our minds to solve some deep-level problems that hinder our economic development, and take new steps forward in the reforms of the financial system, the enterprise system, and the labor wage and insurance systems. If we have no sense of urgency, feel contented, and have no initiative, we will miss the opportunity and make irredeemable mistakes.

Comrade Mao Zedong once said:

"So many deeds cry out to be done,

And always urgently;

The world rolls on,

Time presses.

Ten thousand years are too long,

Seize the day, seize the hour."

Let us go into action with zest; overcome the sense of contentment with things as they are, the mentality of depending on and waiting for favorable policies to be made, and the fear of difficulty; further emancipate our minds; be more open to the outside world; further deepen the reform; be more rigorous in management;

and work hard to speed up Guangdong's economic development and catch up with semideveloped countries as soon as possible.

Guangdong Turns From Anti-West to Anticrime

HK1103035992 Hong Kong THE STANDARD
in English 11 Mar 92 p A-5

[By Cary Huang]

[Text] Guangdong is trying to turn the ideological campaign for attacking Western values into an anti-crime campaign, following Deng Xiaoping's call for tougher action against social evils.

The shift by the provincial authorities was to play down the negative repercussions of the country's repressive policies and the ultra-leftist campaign initiated after the military crackdown in 1989.

The conservatism was reinforced last year following the collapse of the former Soviet Union.

Prompted by Mr Deng's calls for greater reform and openness during his high-profile visit, regional authorities had stepped up promoting a reformist atmosphere, Chinese sources said yesterday.

Besides campaigning for bolder experiments in reform and openness, Mr Deng warned officials against the infiltration of decadent lifestyles.

He told Guangdong officials not to have a weak hand in fighting against social evils.

Reform, openness and anti-crime campaigns were set by the authorities in several provincial meetings as three major areas of the party and government's work.

"Crime was the most serious threat to peace in our society and a major frustration for the implementation of reform," the source quoted a provincial leader at a meeting on legal work last week.

"The anti-crime campaign was not only the major task for legal departments, but was also key work for party and government organizations at all levels in years to come."

The meeting was attended by most senior provincial party and government officials including party secretary Xie Fei.

The key issues were the four main evils: official corruption, drug abuse, prostitution and pornographic publications and violence.

"The exclusion of political dissents from the list indicates a change of political atmosphere," a Chinese analyst said.

Guangdong authorities had held two other meetings. The provincial conference on openness and one on restructuring the economy were held in Guangzhou last month and this month respectively.

The three meetings were held to implement Mr Deng's directives in the province.

Xiong Qingquan on Developing Chemical Industry

HK1103080292 Changsha Hunan People's Radio Network in Mandarin 2300 GMT 5 Mar 92

[Excerpt] Hunan has ample agricultural resources at its command. But how should we exploit our resources to develop the chemical industry? On 3 March, provincial CPC committee Secretary Xiong Qingquan heard a report by (Chen Weiguo), head of the provincial government's petrochemical department.

Xiong Qingquan pointed out: During the Eighth Five-Year Plan, Hunan must try to rank itself among the top 10 chemically developed provinces in the country. The key to achieving this end lies in raising economic efficiency and output value should not be regarded as the sole criterion. It is necessary to spend more money on technological transformation and to take five years to update all existing enterprises. Efforts should be made to develop new products at a greater pace and to replace the older generation of products with new ones in a shorter period. We should introduce advanced technology and foreign funds as well as operational mechanisms, and set up more joint-ventures. We should exploit the abundant agricultural and sideline products in our province to develop the biochemical industry. [passage omitted]

Southwest Region

Tibet Chairman Remarks Mark Year of Water Monkey

HK1003124092 Beijing RENMIN RIBAO in Chinese 29 Feb 92 p 4

[By reporters Li Cheng Hua (2621 2052 5478), Liu Wei (0491 0251): "Gyaincain Norbu Attends Gathering To Celebrate Traditional Tibetan Year of Water Monkey"]

[Text] Lhasa 28 Feb (RENMIN RIBAO)—Today, some 350 representatives of all nationalities from various circles gathered to greet the Year of the Water Monkey, according to the traditional Tibetan calendar.

On behalf of the regional party committee, government, people's congress, Chinese People's Political Consultative Conference, and Tibet Military Area Command, Gyaincain Norbu, chairman of the Tibetan Autonomous Regional People's Government, extended greetings and regards to people of all nationalities from all circles across the region, the People's Liberation Army, officers and men of the armed police corps, and public security cadres and policemen stationed in Tibet as well as Tibetan cadres, workers, and staff members working in the hinterland.

In his speech, Gyaincain Norbu also expressed his regards and greetings to Tibetans overseas. He said, the motherland and the Tibetan people will never forget Tibetans overseas. The central policy toward Tibetans overseas has been consistent, namely: All patriots belong to one big family, whether they rally to the common cause early or late, they are free to come and go; firmly oppose all activities separating the motherland; and as long as the Dalai Lama gives up his position of "Tibetan independence," we will still welcome him back to the motherland. However, we say no to independence and even semi-independence or independence in whatever disguise. Gyaincain Norbu stated that Tibet as an inseparable part of China is an undeniable historical fact. Anyone's attempt to sever Tibet from the powerful motherland with support from foreign influences is doomed to failure, be it under the banner of "nationality and religion" or a pretext of the "human rights" issue, and he will meet with the resolute opposition of people of all nationalities across China, especially the Tibetan people and become a historical and national sinner. He said, a person residing elsewhere finally returns to his ancestral home. We earnestly hope that Tibetans overseas will return to the motherland as early as possible to build a socialist new Tibet that is united, prosperous, and civilized.

Pagbalha Geleg Namgyai, National CPPCC vice chairman; Tudao Duoje [0956 6670 1122 0679], State Nationalities Affairs Commission vice minister; and Tibetan party, government, and military leading members attended the ceremonies and watched the wonderful performances of Lhasa's performing art troupes.

Private Economy Develops 'Rapidly' in Tibet

OW1103063992 Beijing XINHUA in English 0616 GMT 11 Mar 92

[Text] Beijing, March 11 (XINHUA)—The private economy has developed rapidly in the Tibet Autonomous Region during the past year, according to the "CHINA BUSINESS TIMES."

The newspaper reported that by the end of 1991 Tibet had 39,255 household businesses, involving more than 54,000 people.

The business volume of the household businesses in Tibet reached 248 million yuan last year, a 10.1 percent increase over 1990.

Among all the household businesses in the autonomous region, 28,598 were local individual households and 10,567 were from the other parts of the country.

According to the newspaper, Tibet has greatly promoted the development of the private sector in its agricultural and pastoral areas during the past year. In 1991 the number of household businesses in these areas had a 50.1 percent increase, or 5,411 households, over that of 1990.

North Region

Beijing's Large Enterprises Enjoy 'Stable Growth'

OW0903064492 Beijing XINHUA in English
0624 GMT 9 Mar 92

[Text] Beijing, March 9 (XINHUA)—Large and medium-sized state-owned enterprises in Beijing have shown good signs in their economic performance from last January.

Statistics show that the industrial output value, sales income and the taxes and profits realized in January increased by 11.1 per cent, 15.8 per cent and 15.8 per cent respectively over the same month last year.

All the large and medium-sized state-owned enterprises in Beijing have shown a continued, stable economic growth.

In the past three years, however, these large and medium-sized enterprises have recorded continued losses due to the overpile of the products. By the middle of 1991, about one quarter of the 103 key large and medium-sized enterprises suffered losses, with their employees accounting for about half of the total workers in the city.

In February of 1991, the Beijing Municipal Government worked out 15 preferential policies for the large and medium-sized enterprises.

By last September, the industry in Beijing stopped declining and by last November, the loss-suffering enterprises began to gain profits.

The municipal government then decided to deepen the economic reforms by attaching importance to the transfer of operational mechanism of these enterprises, including reforms of the traditional employment system, wage system and more autonomy in management.

At present, some 16 out of 400 enterprises have carried out reforms on the employment and wage systems, involving some 25,000 employees.

Also, these 400 enterprises have developed more than 400 new marketable products and readjusted some 100 key products.

An expert in the municipal government said that the good performance in the last few months by these large and medium-sized enterprises in Beijing might imply a long-expected revitalization of these enterprises in the capital.

Beijing To Tighten Foreign Vehicle Registration

HK1103052992 Beijing CHINA DAILY in English
11 Mar 92 p 3

[By Liang Chao: "Licence To Stop Car Smugglers"]

[Text] Beijing will tighten up its control over the administration of vehicles imported by its thousands of foreign-funded enterprises, joint ventures and airlines.

The city wants to halt smuggling and profiteering of vehicles imported duty free by foreign residents living in China for more than one year, the Beijing Customs said.

Beginning this month, imported cars with black-licence plate will be verified. The black-plated licences are designated for vehicles of foreign embassies, joint ventures or foreign firms, customs officials said.

After annual regular checks that will begin in January and March 1992, owners of cars imported for private use will receive a special customs certificate.

Customs officials have already discovered a few local employees with Beijing joint ventures making large profits from selling cars imported duty free.

For example, Li Lei, acting general manager with the Beijing Tinghao Oil Manufacture Co Ltd, one of the capital's large joint-ventures, imported two cars for private use in the names of two of the joint venture's foreign resident employees.

Li then resold the cars, a Buick and a Chevrolet, without customs' permission. He earned a profitable 200,000 yuan (\$37,037) by reselling just the Buick, which originally cost \$20,000.

The two cars have since been confiscated by Beijing Customs officials.

Beijing has nearly 4,000 vehicles imported by its nearly 3,000 foreign-invested firms, including Sino-foreign co-operative ventures, joint ventures, solely foreign-funded enterprises, foreign airlines and foreign resident correspondents.

China's current customs regulations allows each foreign resident member working at the three types of joint ventures to import one duty-free vehicle for private use. But the owners are not allowed to sell or transfer these vehicles without customs' permission.

Inner Mongolia Builds Up Northern Open Zone

HK1103055992 Beijing RENMIN RIBAO in Chinese
28 Feb 92 p 1

[By Liu Gongjian (0491 1562 6432), Ao Teng (0277 7506), and Wang Shuqing (3769 2885 7230): "Inner Mongolia Actively Builds Its Northern Open Zone"]

[Text] Through making use of its over-4,000-km border contiguous to Mongolia and the Commonwealth of Independent States [CIS], as well as its superiorities in possessing the two ports of Manzhouli and Erenhot which serve as bridges linking the Asian and European Continents, Inner Mongolia Autonomous Region is making vigorous efforts to build up a northern open zone, find ways out of a closed situation, and advance

toward the world, thus bringing about a new aspect in the opening up of Inner Mongolia.

With the arrival of spring, good news poured in from the northern border: In January this year, the total trade contract amount of Manzhouli Port along with Mongolia, the CIS, and Eastern European countries reached 240 million Swiss francs [Fr]. This is another new upward trend since Inner Mongolia made breakthroughs in its opening up last year.

In 1991, Inner Mongolia topped its historical records in foreign exchange earnings and border barter trade. Its import and export volumes exceeded, for the first time, \$500 million, totalling \$599 million, up by 28.8 percent over the previous year; while its total import and export volume of barter trade reached Fr375, an increase of Fr115 million, and up by 44.3 percent over the previous year. The total number of units which are running enterprises in foreign countries also increased from two in 1990 to seven last year.

At present, the people of all nationalities in the border areas of Inner Mongolia are sharpening the weapons and feeding the horses to seize opportunities, blaze new trails, and build up a northern open zone.

Border cities Manzhouli and Erenhot, which are respectively located in the eastern and central parts of Inner Mongolia Autonomous Region, are China's two biggest dry land ports. Through investment, expansion, and technical renovation over the past several years, the annual freight-handling capacities of the two ports respectively reached 3.6 and 2.5 million tonnes. Nowadays, the two ports are trading through railways with Mongolia, Russia, and Eastern European countries. In 1990, Inner Mongolia Autonomous Region opened the two new ports of Shiwei and Heishantou; moreover, it also set up many freight-handling stations along the border. Passenger trains began service between Hohhot, capital city of Inner Mongolia Autonomous Region, and Mongolian capital Ulaanbaatar. Civil air services will also be opened between the two cities in the near future. Upon the approval of the State Council, Inner Mongolia Autonomous Region will turn its eastern areas of Hulun Buir Meng, which is abundant in natural resources, and western industrial city Wuhai into experimental zones of economic reform. Serving as Inner Mongolia's economic and cultural centers, as well as a backing for the northern open zone, the two major cities of Hohhot and Baotou in the central part of Inner Mongolia have also constantly improved their investment environment. The two cities have expanded their airports so that air services can be extended to other major domestic cities and regions. The newly installed program-controlled telephones and other telecommunications facilities have also enabled Inner Mongolia to get into touch with major cities and regions in China and abroad.

Through making full use of the state's preferential policies toward minority nationality regions, Inner Mongolia Autonomous Region has freed itself from many narrow

ideas such as restricting its activities to a designated sphere. In accordance with the guiding ideology of "opening up new markets in countries north to Inner Mongolia and establishing lateral ties with China's southern provinces and regions, advancing along both lines, rejuvenating Inner Mongolia, and providing services to the entire country," Inner Mongolia has put forward a series of preferential policies to attract people both in China and abroad to make investments, put up factories, practice business, and run industries and commerce in the northern open zone with an aim to concertedly open up and expand overseas markets and accelerate the economic prosperity of the northern open zone. Incomplete statistics have showed that industrial and commercial enterprises from 29 provinces, cities, and autonomous prefectures have already set up their window units in the northern open zone, such as representative offices. The number of projects invested or jointly invested by businessmen from a dozen countries and regions of the world has reached 200, involving a total amount of foreign investment of over \$300 million.

The autonomous region has also made new headway in utilizing foreign investment and developing an export-oriented economy. The total amount of foreign investment introduced by the entire autonomous region last year reached \$1.2 billion. In 1990, there were only 16 foreign-invested enterprises in Hohhot. Seeing such a situation, the leaders of the city party committee and government took the lead in their work, freed themselves from outdated ideas, paid earnest attention to and got right on the job, and regarded the development of an export-oriented economy as the main theme of the city's "economic chorus." As a result, Hohhot introduced 104 foreign-invested projects last year, involving a total amount of foreign investment of \$193 million, twice as much as the total foreign investment amount introduced by the entire autonomous region in 1990.

Tianjin People's Congress Session Opens 9 Mar

SK1003235692 Tianjin People's Radio in Mandarin
1000 GMT 9 Mar 92

[Text] The sixth session of the 11th municipal People's Congress ceremoniously opened at Tianjin assembly hall's great theater on the morning of 9 March.

The session was chaired by Wu Jing, executive chairman of the session and executive member of the Presidium of the session. On behalf of the Tianjin Municipal People's Government, Nie Bichu delivered a work report to the session.

The work report includes five parts: First, the better fulfillment of the 1991 tasks has laid a foundation for development in the Eighth Five-Year Plan period and the 1990's. Second, we should grasp the opportune moment to further accelerate economic development. Third, we should continuously strengthen [words indistinct] of reform and go all out to accelerate the pace of reform. Fourth, we should continuously promote construction of socialist spiritual civilization and provide a

reliable guarantee for economic development, reform and opening-up work. Fifth, we should strive to suit the demands of the new situation and realistically improve the work of the governments at various levels.

Nie Bichu pointed out: The major economic development targets in 1992 are that GNP should increase by 4 percent, total industrial output value should increase by 6 percent, total agricultural output value should increase by 4 percent, revenues should increase by 2 percent, and the volume of retail sales of commodities should increase by 12 percent. We should strive to exceed the planned targets in the course of practice.

Nie Bichu stressed: Revolution means liberating the productive forces, so does reform. If we fail to persist in socialism, conduct reform and opening-up work, develop the economy, or improve the livelihood of the people, we will not be able to make progress. We should put the acceleration of reform in a prominent position in carrying out the 1992 work, further emancipate minds, boldly accelerate the pace of reform, do pioneering work, blaze new trails, and actually achieve greater results in reform. The general requirements for the 1992 economic restructuring work are to persist in the socialist orientation, to speed up development of the planned commodity economy, to set up an operational mechanism linking the planned economy with market regulation, to gradually grasp the transformation of the enterprise operational mechanism and the setup of a market system, to make a greater breakthrough in the reform of major aspects, to promote the reform work of all spheres, to realistically deepen the contents of reform, and to pay particular attention to conduct reform in some new aspects on a trial basis.

Present at the session as nonvoting delegates were members of the municipal committee of the Chinese People's Political Consultative Conference; responsible persons of various committees, departments, and offices of the municipal People's Congress; members of the municipal government; and deputies to the National People's Congress living in Tianjin.

Nie Bichu on Opening Up

OW1103121792 Beijing XINHUA in English
1033 GMT 11 Mar 92

[Text] Tianjin, March 11 (XINHUA)—Northern China's port city and industrial base Tianjin will open even wider to the outside world during 1992, according to Mayor Nie Bichu.

He said recently that the city now has some 898 foreign-funded enterprises, 354 of which were approved during 1991. An additional 89 foreign-funded enterprises were approved during the first two months of 1992.

Nie, who was speaking at the annual meeting of the Tianjin People's Congress recently, said that the city has opened an economic and technological development

zone which enjoys state preferential policies, as well as a free-trade zone, and a new high technology industrial zone.

The mayor said that during 1992 the city will institute new measures to attract foreign investment, including improving basic facilities in the free-trade zone, and city-wide land development.

According to Nie, the Tianjin Municipal Government has extended great effort to providing a good investment environment. He pointed out that the Tianjin Xingang Port has established shipping services with South Korea, and the Tianjin airport has reinstated or opened several domestic air routes.

Nie added that the city will construct numerous new advanced service facilities during 1992.

Tianjin Speeds Up Construction of Key Projects

OW1103035692 Beijing XINHUA in English
0315 GMT 11 Mar 92

[Text] Tianjin, March 11 (XINHUA)—North China's Tianjin Municipality is speeding up construction of 30 key projects involving industry, energy development, communications and public service.

This is part of the efforts to strengthen the city's economy, urban functions and potential for economic development, according to Mayor Nie Bichu.

These projects include power plants, the Beijing-Tianjin-Tanggu superhighway, a wharf, a seamless steel tubing mill with an annual production capacity of 500,000 tons, a cold-rolled thin steel plate works with an annual production capacity of 500,000 tons, and a motor vehicle plant able to turn out 30,000 cars a year.

In addition, it will upgrade 245 key technical projects and develop 1,600 new products this year.

Northeast Region

State Council Office Approves Harbin Report

OW1103092092 Beijing XINHUA in English
0729 GMT 11 Mar 92

[Text] Harbin, March 11 (XINHUA)—The Production Office of the State Council has recently approved a report on technical upgrading of industrial enterprises in Harbin City for the Eighth Five-Year Plan period (1991-1995).

The report was worked out by the China International Engineering Consultancy Company, which specializes in making feasibility studies for key projects to assess important construction plans before final decisions are made.

According to the report, this capital of northeast China's Heilongjiang Province will put priority on upgrading the machine-building, electronics, pharmaceuticals, chemicals and textiles industry.

The city will develop new technology for the manufacture of thermal-, hydro- and nuclear-power generating equipment, as well as machine and cutting tools.

It will construct several export-oriented production bases for power-generating equipment, machinery and pharmaceuticals.

It also plans to build the biggest flax textile mill in the Far East.

Meanwhile, Harbin will promote advanced technology to turn out automobiles, petrochemicals, instruments and meters, cigarettes, chemical fibers, leather and leather products.

Quan Shuren at Meeting To Discuss Candidate List

SK1003235992 Shenyang Liaoning People's Radio Network in Mandarin 2300 GMT 8 Mar 92

[Text] The Liaoning Provincial CPC Committee held a meeting on the afternoon of 8 March to democratically consult with representatives of various provincial democratic parties and the provincial federation of industry and commerce and nonparty personages on electing additional leading members of the provincial People's Congress, the provincial government, and the provincial committee of the Chinese People's Political Consultative Conference [CPPCC].

Quan Shuren, secretary of the provincial party committee, spoke first at the meeting.

He said: Next year, the provincial People's Congress, the provincial government, and the provincial CPPCC committee will elect their next committees. According to the central regulations on the age structures of the leading bodies of the provincial People's Congress, the provincial government, and the provincial CPPCC committee, some comrades have to retire from their posts. Accordingly, this year we should appropriately readjust these leading bodies to make it more convenient for next year's electoral work. Today, we invite you to discuss the candidates' namelists suggested by the provincial party committee and to hear your opinions along the way.

At the meeting, Shang Wen, deputy secretary of the provincial party committee, introduced the conditions of these candidates.

Representatives of various provincial democratic parties, responsible persons of the provincial federation of industry and commerce, and representatives of nonparty personages, including Liu Mingjiu, (Ning Shiji), (Gong Shiping), Gao Qingzhou, (Chen Suzhen), (Hu Tongfang), (Jiang Shaoqin), (Liu Chun), (Xia Deming), (Zhang Yuming), (Chen Enfang), (Gao Jizhong), (Long Jianfu), (Ma Pinfang), Feng Yousong, and (Nie Weichun), were

invited to the meeting to enthusiastically discuss the conditions of the candidates.

They agreed to the provincial party committee's suggestion.

They maintained: Under the new situation at home and abroad and in line with the demands of rejuvenating Liaoning's economy, conducting reforms, and opening to the outside world, it is necessary to elect additional leading members of the provincial People's Congress, the provincial government, and the provincial CPPCC committee. These candidates suit the conditions. The suggested candidates' namelists will be submitted to the on-going sessions of the provincial People's Congress and the provincial CPPCC committee for deliberations and elections.

Xu Shaofu, chairman of the provincial CPPCC committee; Shen Xianhui, vice chairman of the provincial CPPCC committee; Liu Qingkui, director of the united front work department of the provincial party committee; and Zhang Lingyun, director of the organizational department of the provincial party committee, attended the meeting.

Yue Qifeng on Improved Transportation Facilities

OW1103084492 Beijing XINHUA in English 0730 GMT 11 Mar 92

[Text] Shenyang, March 11 (XINHUA)—Liaoning Province in northeast China is making efforts to improve its transportation facilities.

During the Eighth Five-Year Plan period (1991-95), Liaoning Province will spend 8.5 billion yuan to build highways, ports and railways, according to the provincial Governor Yue Qifeng.

During the Seventh Five-Year Plan period (1986-90), the province invested a total of six billion yuan to improve transportation facilities. During the period, the most outstanding achievement the province made in the sector was the construction of the Shenyang-Dalian express highway, the first of its kind in the country. The 375-km expressway runs through the Liaodong Peninsula and connects Shenyang, the capital city of the province, with Liaoyang, Anshan, Yingkou and Dalian cities. The 2.2-billion yuan highway opened to traffic in 1990.

As a result, the time to drive from Shenyang to Dalian was shortened from 10 to four hours.

However, the governor added that the province neglected the construction of roads for rural areas during the Seventh Five-Year Plan period. His province is expected to invest four billion yuan in the next five years to build and improve roads for rural areas.

Meanwhile, the province will invest 2.4 billion yuan to construct Shenyang-Tieling, Shenyang-Benxi and two other highways.

Northwest Region

Lanzhou Radio Urges 'Bolder' Reform Efforts

HK1103080092 Lanzhou Gansu People's Radio
Network in Mandarin 2300 GMT 6 Mar 92

[Station commentary: "Be Bolder in Reform, Strive To Open up Brighter Prospects"]

[Text] The Fifth Session of the Seventh Gansu Provincial People's Congress and the Fifth Session of the Sixth Gansu Provincial Chinese People's Political Consultative Conference [CPPCC] Committee, both of which have drawn extensive attention from the Gansu people, successfully concluded one after another in Lanzhou, a city embraced by spring since March set in.

Thanks to the concerted efforts of the people's deputies and CPPCC committee members, the two above-mentioned sessions successfully fulfilled their agendas, developed democracy, enhanced solidarity, and sought truth.

In the course of the two sessions, both people's deputies and CPPCC committee members spoke highly of Governor Jia Zhijie's government work report and hailed it as one able to seek truth from facts and boost morale. Now that we have clear-cut goals and principles, what we must concentrate on is resolutely implementing all the tasks set for this year and turning a beautiful blueprint into reality.

The theme of the two above-mentioned sessions was: To emancipate minds and become bolder in reform. Both people's deputies and CPPCC committee members spoke glowingly of reform and development at the two sessions and called for grasping each and every opportunity to expedite reform and promote Gansu's economic development. Their call embodied the popular will of the people of all nationalities in Gansu, reached every corner of Gansu, and signalled a new upsurge of provincial development.

We must faithfully perform our duties and spare no efforts in forging ahead to win more victories. We are firmly convinced that under the correct leadership of the provincial party committee and government, the people of the whole province will certainly be able to unite as one, make concerted efforts, and write a new chapter in Gansu's economic development.

Shaanxi Province Electronics Industry Improves

OW1003044192 Beijing XINHUA in English
0425 GMT 10 Mar 92

[Text] Beijing, March 10 (XINHUA)—The electronics industry in Shaanxi Province in northwest China has achieved good economic returns as a result of the readjustment of production in recent years.

Last year the industry, a mainstay of the province, achieved a total production value of 4.587 billion yuan

(about 994 million U.S. dollars), a 35.6 percent increase over 1990 and placing it seventh in the country.

It achieved pre-tax profits of 617 million yuan last year, nearly twice the figure for 1990 and placing it second in the country, reported today's overseas edition of the "PEOPLE'S DAILY" [RENMIN RIBAO].

In the past year the industry has made big efforts to develop new products to meet the needs of the market. A total of 82 new products were developed last year; 62 of them have been put into production and 12 of them won awards for scientific and technological progress from the state ministry of machinery and electronics industry.

The quality rate of the industry's products reached 91.8 percent last year, and a total of 47 products of 22 electronic industrial enterprises were named quality products by the state.

Commentator 'Article' Urges Shaanxi Science Forum

HK0703025692 Xian Shaanxi People's Radio
Network in Mandarin 0030 GMT 3 Mar 92

[Station commentator's "article": "A Province-wide Discussion Should Be Held on Regarding Science, Technology as Primary Productive Force"]

[Text] The provincial CPC Committee has decided to launch in cities and counties across the province, a great, extensive, and in-depth discussion on science and technology as the primary productive force. The provincial CPC committee's decision is another push and plan for the pursuit of invigorating Shaanxi with science and technology, and is necessitated by the changes in the international environment and new challenges, by the need to uphold economic construction as the center, realize the second-step strategic goals, give play to Shaanxi's superiority in science and technology, and revitalize the province's economy. Localities and departments must all grasp well this matter which affects the entire situation. The current urgent task is that all localities and standing committees must act according to the spirit of the provincial CPC committee's instructions, proceed from their own practical conditions, and formulate plans for launching a mass discussion.

The plans must be specific and exploratory in spirit; there must be a guiding thought for the mass discussion; and have definite stipulations regarding its purposes and requirements, contents, and duration of discussion and form of activity. We must uphold the principle of integrating theory with practice. Since 1988, our province has launched mass discussions on the standards of productive forces and "what Shaanxi should do when the coastal areas further carry out reform and opening up." These two mass discussions have played an active role in enhancing the understanding of the broad mass of cadres and people and emancipating their minds and promoting economic construction, reform, and opening up the whole province. They were successful. The fundamental experience lies in adhering to the principle of

integrating theory with the practical situation. The current mass discussion on science and technology as the primary productive force must be closely linked with the actual ideological states of the cadres and masses; the actual conditions of work in localities, departments, and units in implementing the policy of vitalizing production with science and technology; the problems of scientific and technological awareness, structure, and inputs; the issue of intellectuals; and so on.

Through mass discussion, we can raise understanding, analyze causes, study countermeasures, and overcome defects. We must put the mass discussion high on the agendas of leading comrades and organs.

Implementing the guiding principle of vitalizing Shaanxi with science and technology is a matter of primary importance. Launching the discussion on science and technology as the primary productive force is an important step for carrying out the guiding principle of vitalizing Shaanxi with science and technology.

If leading comrades at all levels want to grasp key affairs, they cannot but grasp the current mass discussion. In particular, the leaders of party and government units at all levels must personally take charge of the matter and create across the province a thick atmosphere of the first-in-command taking charge of the primary productive force. We must participate in the mass discussion, properly lead it, and properly study and solve the key problems arising in mass discussion. Leading organs at all levels must grasp the mass discussion as a major event. Propaganda departments, standing committees responsible for science and technology, mass associations, and news units must, under the party committees' leadership, do a good job in the areas of organization, coordination, propaganda, and reporting and ensure that the mass discussion develops healthily and in depth and width.

Construction Set for Lanzhou-Urumqi Double Track

*OW1003072992 Beijing XINHUA in English
0637 GMT 10 Mar 92*

[Text] Lanzhou, March 10 (XINHUA)—Construction of the Lanzhou-Urumqi double-track railway linking two northwestern China's provinces will be carried out later this year.

The railway is a single-track line at present. A new track will increase the capacity of the Lanzhou-Urumqi railway line from 10 million tons annually to over 50 million tons annually. In addition, the number of passenger trains will increase the current six round trip trains to 15.

Lanzhou is the capital of Gansu Province and Urumqi is and capital of the Xinjiang Uygur Autonomous Region.

The new track is designed to promote overall economic development in northwestern China, as well as oil development in Xinjiang. It will also enhance the international competitiveness of the Eurasian continental bridge.

The new track is scheduled for completion during the Ninth Five-Year Plan period (1996-2000).

Urumqi Promotes Rural Science, Technology

*OW1103112392 Beijing XINHUA Domestic Service
in Chinese 0622 GMT 11 Mar 92*

[By trainee Hao Xie (6787 7327) and reporter Liu Guangniu (0491 0342 3662)]

[Text] Urumqi, 11 March (XINHUA)—Urumqi, which has been designated by the state to experiment with urban development through science and technology, has placed the emphasis of the project on rural areas. The city has now established in rural areas a system of popularizing practical technology—a system which propagates scientific and technical knowledge, trains scientists and technicians, assists impoverished families in using science and technology, and provides scientific and technical services.

Ever since Urumqi engaged in the experiment in 1990, city authorities have organized a large number of scientists and technicians to propagate advanced agricultural technology among minority peasants and herdsmen in rural areas. Each year, in addition to designating a week and holding open fairs to propagate science and technology, they make it a practice to demonstrate cultivation and introduction of new seed strains, high-yield cultivation, pest control, use of plastic sheeting, water-efficient irrigation, soil improvement, application of rare earth materials, bioengineering, and livestock and fish breeding through holding exhibitions, showing video movies, giving out information materials, and showing pictures during winter when farming is not busy. Moreover, they have also assigned scientists and technicians to provide townships, villages, and households with comprehensive follow-up services which are needed before, during, and after production. In Chaiwobao Township's Baiyanggou village, scientists and technicians sent there have successfully assisted the impoverished local Kazakh herdsmen in improving their goat species and breeding new species which yield large amounts of quality hair. With per capita income now reaching 1,300 yuan, the herdsmen's living conditions have undergone drastic changes, and they have also moved from their felt-made tents to modern living quarters like those of urban residents.

In view of the fact that some peasants and herdsmen are no longer satisfied with learning one or two courses of applied technology, science and technology associations in Xinjiang—on the basis of popularizing science and technology through holding short-term or spare time training classes—have systematically carried out higher-level training courses for peasants and herdsmen at

technical schools and provided them college-level correspondence courses. Today the over 500 minority technicians they have trained have become experts in teaching people how to become affluent through application of science and technology.

Statistics show that in conjunction with the "Sparks Program," the "Bumper Harvest Program," and the "Prairie Fire Program," Urumqi has trained nearly 50,000 vegetable, irrigation, horticulture, and mushroom production specialists at the 571 classes it has sponsored in the past four years. The many lectures given by the 2,000 or so agricultural, forestry, meteorological, and pedological experts, professors, and skilled

producers in rural areas in 1991 triggered a craze of studying science among minority peasants and herdsmen.

Meanwhile, all counties and state farms under Urumqi's jurisdiction have set up science and technology associations, and the 58 institutes of specialized agricultural technology set up in the rural and pastoral areas have 1,450 members. Thus, centering around science associations operated by counties and agricultural corps and ranches, there is now in Urumqi a network built on the basis of township associations for popularization of sciences and institutes of specialized techniques, and with support from all types of entities serving for the popularization of science.

DPP Mission Departs for United States 10 Mar*OW1103085992 Taipei CNA in English 0753 GMT
11 Mar 92*

[Text] Taipei, March 11 (CNA)—A 22-member delegation of the opposition Democratic Progressive Party (DPP) left for the United States Tuesday for a 10-day visit.

The mission, headed by DPP Chairman Hsu Hsin-liang, comprises several DPP heavyweights, including Legislators Frank Shieh and Yeh Chu-lan, and Yao Chia-wen, a former chairman of the opposition party.

Prior to his departure, Hsu said he was delighted to learn that several high-powered Kuomintang officials have openly supported the direct popular election of the country's future presidents, a system for which the DPP has been pressing hard. The method of electing future presidents has been a hotspot in the much-anticipated constitutional reforms here.

During their stay in the United States, DPP mission members will stop over in Washington, D.C., New York and major cities in California.

In addition to meeting with Republic of China officials stationed in New York, the DPP mission will visit the United Nations headquarters there.

President Li Receives Dominican Foreign Minister*OW1103085292 Taipei CNA in English 0732 GMT
11 Mar 92*

[Text] Taipei, March 11 (CNA)—President Li Teng-hui said Tuesday the Republic of China is willing to share its experience in economic development with the Dominican Republic and other friendly nations.

The president made the remarks when receiving Dominican Foreign Minister Juan Aristides Taveras Guzman and Mrs. Taveras at the presidential office.

Li told his guests that cordial Sino-Dominican relations will be further strengthened after Taveras' visit here.

Taveras and his wife arrived in Taipei Monday for a week-long visit.

Government To Send Medical Aid to Ukraine 31 Mar*OW1103085492 Taipei CNA in English 0732 GMT
11 Mar 92*

[Text] Taipei, March 11 (CNA)—The first shipment of medicines donated by the Republic of China to Ukraine, part of a \$10 million medical aid package, is scheduled to be flown to Kiev March 31.

"It has been tentatively decided that China Airlines will be asked to carry the medicines," Benjamin J.Y. Lo, director of the Ministry of Foreign Affairs' West Asian Affairs Department, said after an aid program meeting Tuesday.

If all goes well, a second shipment will leave for Ukraine April 14, he added.

It was also decided Tuesday that the Republic of China will invest \$2 million in a joint venture project to build a pharmaceutical plant in the newly independent republic.

Premier Urges Stance of Sovereignty Over Mainland*OW1103090092 Taipei CNA in English 0750 GMT
11 Mar 92*

[Text] Taipei, March 11 (CNA)—The government has not been "hesitant" about its sovereignty over mainland China while pursuing its "flexible diplomacy," Premier Hao Po-tsun asserted Tuesday.

"Abandoning mainland sovereignty will earn us nothing; even worse, it would cost us our 'basic position,'" the premier told the Legislative Yuan.

In answer to Kuomintang Legislator Huang Chu-wen's question, Hao said the division between Taiwan and the mainland will remain for some time even though exchanges between them will increase.

Hao said Taiwan and the mainland cannot cut their ties, though they cannot unify in the near future. "You can't push them away, and you can't pull them in," he said.

As a result, the "division" will remain for quite some time as no drastic changes are around the corner, he noted.

On Washington-Peking [Beijing] relations, Hao said U.S. policy toward Communist China seems to have changed following the June 4, 1989 Tiananmen tragedy and the demise of the Soviet Union.

"If the U.S. changes its policy, it may regard Communist China as a future enemy," he said.

Says Conditional Friendship Possible*OW1103085592 Taipei CNA in English 0741 GMT
11 Mar 92*

[Text] Taipei, March 11 (CNA)—The Chinese Communists are still the Republic of China's [ROC] enemy, and the ROC's survival and development are based on its anti-Communist policy, Premier Hao Po-tsun said Tuesday.

However, like the former Soviets who have abandoned communism, the Chinese Communists "can become our good friends" if they change their ways, Hao said.

The premier noted that people on both sides of the Taiwan Strait "are all Chinese, and cannot be enemies forever."

Replying to Kuomintang Legislator Hsieh Mei-hui's interpellation, Hao said the government has adjusted a little its "three-no" policy of no contact, no talks and no compromise with the Chinese Communists.

For instance, he pointed out, the Straits Exchange Foundation has been authorized to deal with Peking's [Beijing] Association for Relations Across the Taiwan Straits.

Both parties have also reached agreements on certain things through the two organizations, the premier added.

The confrontation between the two sides of the Strait will change as bilateral relations change, he said.

Taipei Rejects Mainland Joint Venture Offer

OW1003192692 Taipei CHINA POST in English
6 Mar 92 p 16

["Taipei Rejects Mainland Joint Venture"]

[Text] The government yesterday ruled out the possibility of a joint venture with mainland China to pave the way for direct air links between the two sides of the Taiwan Strait.

"The time is still not ripe for such a joint venture... and no mainland-registered ships or planes can enter Taiwan sea and air ports," Communications and Transportation Minister Eugene Chin said.

He said under the National Reunification Guidelines, a set of blueprints outlining the stages of contacts across the Taiwan Strait, it is impossible for such a joint venture to take place at this time.

Chien was referring to a mainland plan to cooperate with Taiwan in setting up a joint-venture airline company in a third area to resolve the direct air links issue.

Under the plan, passed on to authorities by a Taiwan businessman investing in the mainland, the mainland authorities will use the name of a special economic zone in Shenzhen near Hong Kong to work with Taiwan in establishing such an airline company.

During the initial period, the mainland agreed to have one-way flights from Taiwan.

Liu Tai-ying, head of the Taiwan Institute of Economic Research, confirmed the reported plan, but said national security is the primary consideration.

Local enterprises and some opposition lawmakers have pressed the government to allow direct air and shipping links with the mainland to reduce transportation cost.

They said because of the ban on such links, Taiwan goods can only be exported to the mainland via a third area, and this results in huge sums for transportation.

The government here, driven to Taiwan after losing a civil war to the communists in 1949, has banned direct contacts with the mainland.

But in recent years, it has eased its hostility towards the mainland and allowed indirect trade and links with Beijing.

In Parliament Wednesday, lawmaker's approved a bill to allow direct air and shipping links across the strait under special permits issued by the government here.

Parliament also approved a proposal to have the Ministry of Transportation and Communications work out measures within three months to issue special permits to facilitate such links.

Lin Cheng-chieh, an independent legislator who was formerly a member of the main opposition Democratic Progressive Party (DPP), said the government should lift a ban on direct air and shipping links with the mainland.

"Because of this ban, we have lost over NT [New Taiwan] \$200 billion in the past several years," he said.

DPP legislator Chen Shui-bian pointed out that more than five million containers bound for the mainland are shipped to Hong Kong every year due to the indirect trade policy of the government here.

"This has resulted in the increase of \$300 for the transportation cost for each container, or \$1.5 billion per year," he added.

Sources said authorities might allow chartered planes to come to Taiwan via a third area or third flight information zone based on consideration of national security.

The sources said authorities might also consider having the China Airlines, the nation's flag carrier, set up a branch in a third area and have the planes of the branch flying between the two sides of the Taiwan Strait.

Hong Kong

Hong Kong Affairs Advisers Arrive in Beijing

To Visit for Two Days

HK1003151592 Beijing ZHONGGUO XINWEN SHE
in English 1441 GMT 10 Mar 92

[Text] Beijing, March 10 (CNS)—Advisers on Hong Kong affairs invited by the Hong Kong and Macao Affairs Office and the Hong Kong branch of the New China News Agency arrived in Beijing this afternoon.

The Director of the Hong Kong and Macao Affairs Office, Mr. Lu Ping, and Deputy Directors, Mr. Chen Ziyang and Wang Qiren, met them at the airport.

The forty-three advisers will attend a ceremony to be held tomorrow afternoon in the Great Hall of the People when they will receive letters of appointment. They will stay in the capital for two days in order to take part in planned activities.

To Meet Senior PRC Leaders

HK1103012992 Hong Kong SOUTH CHINA
MORNING POST in English 11 Mar 92 pp 1, 2

[By Kent Chen and Geoffrey Crothall in Beijing and Doreen Cheung]

[Text] A group of senior Chinese leaders including Communist Party chief Mr Jiang Zemin, the Prime Minister, Mr Li Peng and vice-premiers Mr Zhu Rongji, Mr Wu Xueqian and Mr Zou Jiahua will be meeting the group of Hong Kong advisers to the Chinese Government.

The arrangement signified the importance Beijing had attached to the appointment of the 44 advisers, said the director of the Hong Kong branch of the New China News Agency (NCNA) [XINHUA], Mr Zhou Nan.

All of the 44 except Mr Donald Liao Poon-huai, former secretary for home affairs, were in Beijing yesterday to attend today's official ceremony.

Mr Liao is understood to be still in London to attend his daughter's graduation ceremony and it was not clear last night whether he would be in time for the ceremony today.

The advisers were treated as VIPs, each being picked up by a limousine. The long convoy of cars was escorted by police.

At 5 pm today, the Hong Kong group will gather at Beijing's Great Hall of the People to be sworn in as official advisers to the Chinese Government.

The ceremony will be presided over by Mr Li, the director of the State Council's Hong Kong and Macao Affairs Office, Mr Lu Ping, and Mr Zhou.

Mr Li's deputies, Mr Zhu and Mr Zou, will also attend the ceremony.

Mr Lu will make a brief speech before announcing the names of the advisers, who will then walk to the rostrum to collect their certificates from Mr Zhou.

The ceremony will last about one hour before the advisers head off for a banquet in the Diaoyutai State Guest House hosted by Mr Li.

Tomorrow afternoon, the advisers will hold their first official round of talks with a senior leader, expected to be the chairman of the Communist Party, Mr Jiang Zemin, on the general issues facing Hong Kong in the runup to 1997.

Asked if President Mr Yang Shangkun would also attend, Mr Zhou said: "I wish he would."

Mr Zhou said it was likely that Mr Li would give a brief speech.

Speaking in Beijing last night, Mr Zhou said: "Of course we attach great importance to the event. The fact that so many leaders will meet them is because we wish them to bring their role into full play."

Mr Zhou said the advisers would be free to decide what to say.

"They can say what they are willing to say. We cannot force them to say this and that."

When asked whether there was conflict among advisers belonging to different alliances, Mr Zhou said: "I hope every Hong Kong compatriot, based on their concern for the interests of the country and Hong Kong, can rally behind their common cause and put aside their wider differences."

Asked if liberals would be invited in the next group, he said: "Everyone is liberal. I think all Hong Kong people are liberals, they are all in favour of democracy."

Mr Zhou said it was too early to say who would be appointed in the next group.

Speaking at Kai Tak airport yesterday, an NCNA vice-director, Mr Zheng Hua, said the Chinese advisers were appointed in their own capacities for a two-year term although the appointments could be extended.

Two former executive councillors, Sir Sze-yuen Chung and Miss Maria Tam Wai-chu, denied any conflict of interest.

Sir Sze-yuen, a veteran in the top policy-making body from 1972 to 1988, said he had retired from the Executive Council [Exco] and no longer held any post in the Government.

He also pledged that he would not divulge confidential matters discussed in previous Exco meetings.

"I would not disclose confidential information, whether I am China's adviser or not," he said.

Sir Sze-yuen also said he would advise the Chinese Government as he did with the local administration for 20 years, especially on trade, politics and education.

Miss Tam, an Exco member from 1983 to 1991, said she believed that she was appointed because of her service on the Basic Law Drafting Committee.

"I don't see any conflict between my role as adviser and former Exco member," she said, adding that other appointees, Sir Sze-yuen, Mr Lo Tak-shing and Mr Donald Liao had also served Exco.

"I advised the British and Hong Kong governments for the benefit of Hong Kong people," said Miss Tam. "I will continue to do so in the same way, within the context of the Basic Law."

Apart from the four Exco members, the Chinese Government also appointed three former legislative councillors, Mr Wong Po-yan, Mr Hu Fa-kuang and Mrs Nellie Fong Wong Kut-man.

Mr Wong, chairman of the Airport Consultative Committee and former Basic Law drafter, said he would mainly advise on government expenditures, economic affairs, trade and industry.

Three incumbent legislators—Mr David Li Kwok-po, Mr Philip Wong Yu-hong and Mr Lau Wong-fat—who are representatives of different functional constituencies, are also invited.

Two-thirds of the 44 advisers are either former members of the Basic Law Drafting Committee or the Basic Law Consultative Committee.

Local delegates to the National People's Congress or the Chinese People's Political Consultative Conference form one quarter.

Business tycoons Mr Li Ka-shing and Mr Henry Fok Ying-tung are also on the list.

Asked if the Liberals should be included, Mr Cheng Yiu-tong said: "All sectors should be absorbed to reflect different views, despite their confrontational attitudes towards China."

Mr Vincent Lo said he accepted the invitation because it was important that there was another formal channel of communication between the territory and China and he would reflect Hong Kong people's views.

The appointment of Chinese advisers was strongly criticised by two directly elected Legco [Legislative Council] members.

Miss Emily Lau Wai-hing said the Chinese Government's motive was to groom pro-China political stars to stand for the 1995 elections.

In the meantime, these advisers would "play a bigger role in political life", counteracting the influence of the 18 directly elected members in the legislature, she said.

Her colleague, Mr Andrew Wong Wang-fat, said the Chinese Government should appoint directly elected legislators to help solve political problems in the territory.

2d Group 'Might' Include Liberals

HK1103035692 Hong Kong THE STANDARD
in English 11 Mar 92 pp A-1, A-3

[By Cheung Po-ling, Rain Ren, and S.L. Law]

[Text] The second list of Hong Kong advisers will come from a "broader" representation from society and might include liberals, Beijing's top representative in Hong Kong said yesterday.

Xinhua director Zhou Nan also called on the first batch of Hong Kong advisers to set aside their own differences and unite—working toward a common goal.

Mr Zhou accompanied the advisers to Beijing to receive appointment letters. Of the 44 advisers, Donald Liao, the former top Government official, could not attend today's ceremony because he is in Europe on business.

When asked if the second list of advisers would include liberals, Mr Zhou replied: "Of course, the next group will cover a broader representation from all walks of life."

Concerning the supposed factional conflicts among advisers, Mr Zhou said he hoped all Hong Kong compatriots would unite on the basis of "loving China and loving Hong Kong".

"They should work harder towards the common goal and put aside the small differences among themselves," he said.

On the advisers' role, Mr Zhou said: "They are free to say anything and can make public their opinions."

Some of the advisers believe they will become the future Special Administrative Region's (SAR) preparatory committee members.

Liu Yiu-chu, Hong Kong delegate to the National People's Congress (NPC), said she understood that most of the advisers would become members of the preparatory committee to form the SAR's first government and legislature.

"I believe many of us will be appointed to the committee," she said without indicating whether this was one of conditions of appointment. The Basic Law stipulates that the preparatory committee, composed equally of mainland and Hong Kong members, be responsible for preparing the formation of the SAR's first government and establishing the electoral college to elect the executive head.

Sir Sze-yuen Chung, former executive councillor and chairman of the University of Science and Technology, said he did not see any role conflict for him.

"Beijing understands that information from the executive council is confidential. I am advising them as an individual and not as a former executive councillor who will disclose the council's secrets," said Sir Sze-yuen.

Another former executive councillor Maria Tam denied the group would become a "second power centre".

Cheng Yiu-tong, the outspoken Hong Kong delegate to NPC, urged Beijing to expand the future appointment to include more grassroot representatives.

Professor Ian Scott of the University of Hong Kong considered the list as biased.

"With such a list, the Chinese government will get the advisers they want to get," he said.

Greenpeace Criticizes U.S. Waste 'Dumping'

HK0903101092 Hong Kong SOUTH CHINA MORNING POST in English 9 Mar 92 p 13

[By Kathy Griffin]

[Text] Hong Kong is becoming a dumping ground for the United States' rubbish, according to the environmental group, Greenpeace.

It said the U.S. exported more than half of its plastic waste to Hong Kong for recycling. Greenpeace said the waste was often too low-grade for U.S. recyclers or could not be recycled at all, meaning the host country had to dispose of it.

The recycling processes could also be hazardous to workers and the environment, and traders were coming to Asia because of community opposition to recycling plants in the U.S., it said.

Last December alone there were 150 shipments of U.S. plastic waste to the territory which were declared to the U.S. Customs Department, totalling 3,425 tonnes and accounting for 52 percent of all such exports.

The Census and Statistics Department said that last year Hong Kong imported 425,000 tonnes of plastic waste worth more than \$1.1 billion, and about half of it came from the U.S.

The trade only recently came to light after the U.S.-based branch of Greenpeace began investigating it in the wake of several high-profile toxic waste shipments from the U.S. and Europe to developing countries.

Hong Kong's Environmental Protection Department (EPD) said it only recently became aware of the problem after reviewing trade statistics.

Mr Dick Rootham of the EPD's solid waste group said the department was looking into the trade, but hoped to introduce controls later this year on all waste imports into Hong Kong.

"Although we can control trade in waste, one of the exceptions is when the material is re-used. (Waste for) recycling is one thing we'll be including in amendments to the Waste Disposal Ordinance," he said, although he could not say what those controls would be.

About half of the imported plastic waste, which includes polyethylene, polystyrene, polyvinylchloride and other plastic products, stays in Hong Kong and the rest is re-exported almost entirely to China.

Hong Kong also exports plastic waste generated here—about 207,000 tonnes last year—mostly to China.

Ms Ann Leonard is investigating the trade on behalf of Greenpeace's international waste trade project, and returned to Washington last week after visiting recycling factories in Hong Kong, China, the Philippines and Indonesia.

"We're concerned about it because we don't want to add to disposal problems in other countries and also because recycling plastic is encouraging plastic production," she said.

"It's duping the public because you can't bury plastic and you can't burn it, and just because it's recycled doesn't mean it's green or safe. The best thing to do is not to use so much plastic."

The factories used the scrap to make such things as toys, shoe soles and rubber thongs, but in the process workers and the environment were endangered.

For instance, in an Indonesian factory Ms Leonard saw children as young as six sorting through bags containing the residue of what appeared to be pesticides, and ending up covered in it. Pesticides can be toxic.

The recycling process also emitted strong fumes and created contaminated waste water, and hot melted plastic splashed out of factory vats posing a danger to workers, she said.

The trade also created waste disposal problems for host countries. An Indonesian factory manager told her that up to 40 percent of the imported plastic was not suitable for recycling.

The new director of Friends of the Earth, Mr Peter Illig, said recycling was an industrial process and inevitably created emissions, and this had to be balanced against the benefit of re-using waste.

"China probably imports it because it creates jobs and money. That's definitely one of the big motivating factors, but you need to make sure there's a balance between economic gain and environmental harm," he said.

Ms Leonard said some Hong Kong operators recycled the plastic in the territory, but many were believed to have re-located factories across the border to such places as Shenzhen, Huizhou, and Nam Kong. They mostly used the territory to store the waste en route to China.

She was unable to pinpoint whether the imported plastic was industrial or consumer waste, but samples from the region's factories would be analysed in the U.S.

Ms Leonard said 88 countries had banned waste imports, including many in Africa and Latin America but none in Asia. The Philippines claims to ban them, but U.S. shippers report sending plastic waste there.

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